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ABSTRACT

The discussions center on the work component of Title IV of the Higher Education Act of 1965, that is, the college work-study program and the cooperative education program. The six days of testimony sought to clarify the operation of these financial aid programs under the existing law. Careful consideration was given as to how the law should be changed, or if, indeed, it should be changed. Quantitative and qualitative data were presented in both positive and negative testimony about this subsection of Title IV. (Author/PC)

ED103757

STUDENT FINANCIAL ASSISTANCE

(Work Programs)

HEARINGS

BEFORE THE

SPECIAL SUBCOMMITTEE ON EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR

HOUSE OF REPRESENTATIVES

NINETY-THIRD CONGRESS

SECOND SESSION

PART 2

COLLEGE WORK-STUDY AND COOPERATIVE EDUCATION

HEARINGS HELD IN WASHINGTON, D.C.,
MAY 7, 8, 13, 14, 15, 16, AND 21, 1974

Printed for the use of the Committee on Education and Labor
CARL D. PERKINS, *Chairman*

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EDUCATION & WELFARE
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STUDENT FINANCIAL ASSISTANCE

(Work Programs)

TUESDAY, MAY 7, 1974

House of Representatives,
Special Subcommittee on Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice in room 2257, Rayburn House Office Building, Washington, D.C., Hon. James G. O'Hara (presiding).

Present: Representatives O'Hara, Lehman, and Dellenback.

Staff present: Jim Harrison, staff director; Robert Andringa, minority staff director; Elnora Teets, clerk.

Mr. O'Hara. The Special Subcommittee of the House Education and Labor Committee will come to order.

The special subcommittee today will resume its hearings on student financial assistance programs. The next 6 days of hearings will examine the work component of title IV, that is, the college work-study program and the cooperative education program.

[Note.—The following is the text of pts. C and D of title IV of the Higher Education Act of 1965, as amended, authorizing the college work-study program and the cooperative education program:]

Part C—Work Study Programs

STATEMENT OF PURPOSE; APPROPRIATIONS AUTHORIZED

Sec. 441. (a) The purpose of this part is to stimulate and promote the part-time employment of students, particularly students with great financial need in eligble institutions who are in need of the earnings from such employment to pursue courses of study at such institutions.

(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, $275,000,000 for the fiscal year ending June 30, 1970, $320.000.000 for the fiscal year ending June 30, 1971, $330,000.000 for the fiscal year ending June 30, 1972, $360,000,000 for the fiscal year ending June 30, 1973, $390,000,000 for the fiscal year ending June 30, 1974, and $420,000,000 for the fiscal year ending June 30, 1975.

(42 U.S.C. 2751) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 121, 78 Stat. 515; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(2), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 132, 133, 82 Stat. 1028–1029; amended Oct. 22, 1969, P.L. 91–95, sec. 5, 83 Stat. 143; amended June 23, 1972, P.L. 92–318, sec. 135 and sec. 135A, 86 Stat. 270.

ALLOTMENTS TO STATES

Sec. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall (1) allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part, and (2) reserve the amount provided by subsection (e). Ninety per centum of the remainder of such sums shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States.

(2) one-third shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103(d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

(c) Sums remaining after making the allotments provided for in other provisions of this section shall be allotted among the States by the Commissioner in accordance with equitable criteria established by him which shall be designed to achieve a distribution of the sums appropriated to carry out this part among the States which will most effectively carry out the purpose of this part, except that where a State's allotment under subsection (b) for a fiscal year is less than its allotment under that subsection for the fiscal year ending June 30, 1972, before he makes any other allotments under this subsection, the Commissioner shall allot sufficient additional sums to such State under this sentence to make the State's allotment for that year under subsection (b) equal to its allotment under such subsection for the fiscal year ending June 30, 1972. Sums allotted to a State under this subsection shall be consolidated with, and becomes a part of, its allotment from the same appropriation under subsection (b).

(d) The amount of any State's allotment which has not been granted to an eligible institution under section 443 at the end of the fiscal year for which appropriated shall be reallotted by the Commissioner in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 443 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

(e) For purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

(f) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students.

(42 U.S.C. 2752) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 122, 78 Stat. 514; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(1), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 135, 82 Stat. 1028–1029; amended June 23, 1972, P.L. 92–318, sec. 135B, 86 Stat. 270, 271.

GRANTS FOR WORK-STUDY PROGRAMS

SEC. 443. (a) The Commissioner is authorized to enter into agreements with eligible institutions under which the Commissioner will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

(b) For the purposes of this part the term "eligible institution" means an institution of higher education (as defined in section 435(b) of this Act), an area vocational school (as defined in section 8(2) of the Vocational Education

Act of 1963), or a proprietary institution of higher education (as defined in section 461(b) of this Act.

(42 U.S.C. 2753) Enacted Aug. 20, 1964; P.L. 88–452, Title I, sec. 123, 78 Stat. 514; amended Nov. 8, 1965, P.L. 89–329; Title IV, sec. 441(3), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 131, 133, 139, 82 Stat. 1028–1030.

CONDITIONS OF AGREEMENTS

SEC. 444. (a) An agreement entered into pursuant to section 443 shall—

(1) provide for the operation by the institution of a program for the part-time employment of its students in work for the institution itself (except in the case of a proprietary institution of higher education) or work in the public interest for a public or private nonprofit organization under an arrangement between the institution and such organization, and such work—

(A) will not result in the displacement of employed workers or impair existing contracts for services,

(B) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee, and

(C) does not involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship;

(2) provide that funds granted an institution of higher education, pursuant to section 443 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses in accordance with section 463 of this Act;

(3) provide that in the selection of students for employment under such work-study program preference shall be given to students with the greatest financial need, taking into account grant assistance provided such student from any public or private sources, and that employment under such work-study program shall be furnished only to a student who (A) is in need of the earnings from such employment in order to pursue a course of study at such institution (taking into consideration the actual cost of attendance at such institution), (B) shows evidence of academic or creative promise and capability of maintaining good standing in such course of study while employed under the program covered by the agreement, and (C) has been accepted for enrollment as a student at the institution on at least a half-time basis or, in the case of a student already enrolled in and attending the institution, is in good standing and in attendance there on at least a halftime basis either as an undergraduate, graduate, or professional student;

(4) (Vacant).

(5) provide that the institution will meet the requirements of section 494 of this Act (relating to maintenance of effort);

(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;

(7) includes provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

(8) include such other provisions as the Commissioner shall deem necessary or appropriate to carry out the purposes of this part.

(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a) of this section, a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate, and (2) in pursuing a program of education or training which requires at least six months to complete and is designed to prepare the student for gainful employment in a recognized occupation.

(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of nonregular enrollment. Employment under a work-study program during any such period of nonregular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner.

(42 U.S.C. 2754) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 124, 78 Stat. 514; amended Oct. 9, 1965, P.L. 89–253, sec. 10, 79 Stat. 974; amended Nov. 8, 1965; P.L. 89–329, Title IV, sec. 441 (1), (4), (5), 79 Stat. 1249, 1250; amended Sept. 6, 1967, P.L. 90–82, secs. 1, 2, 81 Stat. 194; amended Oct. 16 1968, P.L. 90–575, Title I, secs. 131, 133, 134, 136, 137, 138, 139, 82 Stat. 1028–1030; amended and clause (4) repealed June 23 1972, P.L. 92–318, secs. 135D, 135E, 86 Stat. 271.

SOURCES OF MATCHING FUNDS

SEC. 445. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part, and such share may be paid to such student in the form of services and equipment (including tuition, room board, and books) furnished by such in stitution.

(42 U.S.C. 2755) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 125, 78 Stat. 516; amended Nov. 8, 1966, P.L. 89–329; Title IV, sec. 441(6), 79 Stat. 1250; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 82 Stat. 1028.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 446. The Commissioner shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

(42 U.S.C. 2756) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 126, 78 Stat. 516; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(1), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 82 Stat. 1028.

WORK-STUDY FOR COMMUNITY SERVICE LEARNING PROGRAM

SEC. 447. (a) The purpose of this section is to enable students in eligible institutions who are in need of additional financial support to attend institutions of higher education, with preference given to veterans who served in the Armed Forces in Indochina or Korea after August 5, 1964, to obtain earnings from employment which offers the maximum potential both for effective service to the community and for enhancement of the educational development of such students.

(b) There are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1972, and $50,000,000 each succeeding fiscal year ending prior to July 1, 1975, to carry out this section through local project grants, without regard to the provisions of section 442.

(c) The Commissioner is authorized to enter into agreements with public or private nonprofit agencies under which the Commissioner will make grants to such agencies to pay the compensation of students who are employed by such agencies in jobs providing needed community services and which are of educational value.

(d) An agreement entered into under subsection (c) above shall—

(1) provide for the part-time employment of college students in projects designed to improve community services or solve particular problems in the community;

(2) provide assurances that preference will be given to veterans who served in the Armed Forces in Indochina or Korea after August 5, 1964, in recruiting students in eligible institutions for jobs under this section, and that the agency, in cooperation with the institution of higher education which the student attends, will make an effort to relate the projects performed by students to their general academic program and to a comprehensive program for college student services to the community;

(3) conform with the provisions of clauses (1)(A), (1)(B) and (1)(C) of section 444(a), and provides for the selection of students who meet the requirements of clauses (3)(A), (3)(B) and (3)(C) of section 444(a); and

(4) include such other provisions as the Commissioner shall deem necessary or appropriate to carry out the purposes of this section, including provisions for oversight by the institution of higher education which the student participating in such a program attends.

(e) For purposes of this section, the term "community service" includes, but is not limited to, work in such fields as environmental quality, health care, education welfare, public safety, crime prevention and control, transportation, recreation, housing, and neighborhood improvement, rural development, conservation, beautification, and other fields of human betterment and community improvement.

(42 U.S.C. 2756a) Enacted June 23, 1972, P.L. 92-318, sec. 135F, 86 Stat. 271, 272.

(NOTE.—Authorizations of appropriations for this program for the fiscal years ending June 30, 1967, and June 30, 1968, are provided in section 442 of the Higher Education Act of 1965.)

PART D—COOPERATIVE EDUCATION PROGRAM

APPROPRIATIONS AUTHORIZED

SEC. 451. (a) There are authorized to be appropriated $340,000 for the fiscal year ending June 30, 1969, $8,000,000 for the fiscal year ending June 30, 1970, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1975, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective. Such amounts for the fiscal year ending June 30, 1969, shall also be available for planning and related activities for the purpose of this title.

(b) There are further authorized to be appropriated $750,00 for the fiscal year ending June 30, 1969, and for each of the succeeding fiscal years ending prior to July 1, 1975, to enable the Commissioner to make training, demonstration, or research grants or contracts pursuant to section 453.

(c) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

(20 U.S.C. 1087a) Enacted Oct. 16, 1968, P.L. 90-575, Title I, sec. 141, 82 Stat. 1030; amended June 23, 1972, P.L. 92-318, sec. 136, 86 Stat. 272.

GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

SEC. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

(1) set forth programs or activities for which a grant is authorized under this section;

(2) provide that the applicant will expend during such fiscal year for the purpose of such program or activity not less than was expended for such purpose during the previous fiscal year;

(3) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(4) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

(5) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

(c) No institution of higher education may receive grants under this section for more than three fiscal years.

(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

(20 U.S.C. 1087b) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030.

GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

SEC. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, for projects demonstrating or exploring the feasibility or value of innovative methods of cooperative education, or for research into methods of improving developing, or promoting the use of cooperative education programs in institutions of higher education, to—

(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

(20 U.S.C. 1087c) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030; amended June 23, 1972, P.L. 92–318, sec. 136(b)(2), 86 Stat. 272.

Mr. O'HARA. During these 6 days we will, for the most part, take testimony from those who can testify from their own knowledge as to the operation of these programs under existing law. They have been encouraged to give us their recommendations as to how that law should be changed, if indeed it should be changed.

College work study is a major portion of the Federal student financial aid program funded for the current year at $270 million. It enjoys widespread public acceptance and a reputation as an educationally sound program. Last year the Office of Education received an evaluation of college work study conducted by Dr. Nathalie Friedman, Ms. Lois Sanders, and Mr. James Thompson of the Bureau of Applied Social Research at Columbia University.

The study has been circulated among the members of the subcommittee and at least parts of it will be introduced into this hearing record.

[The table of contents and ch. 1, summarizing the report referred to, appear at p. 349 et. seq. of this volume. The full text of the report is on file with the subcommittee and with the Office of Education.]

Mr. O'HARA. But, I do want to launch these proceedings at which the first witnesses will be Dr. Friedman and Ms. Sanders, by quoting two important sentences from their evaluation. "On the average," and I quote, "CWS earnings are paying half of the basic cost of attending college. This is no small weight for one financial aid program to bear."

And, "CWS programing can * * * in the future * * * do more than provide dollars, more than create leaf rakers or clerks for institutions of higher education, but can serve as a means of education for life."

A program that can do both of these things is the kind of program the subcommittee wants to learn more about. Dr. Friedman and Ms. Sanders, please proceed in whatever manner you think most appropriate.

STATEMENT OF NATHALIE FRIEDMAN AND LOIS W. SANDERS, BUREAU OF APPLIED SOCIAL RESEARCH, COLUMBIA UNIVERSITY, NEW YORK, N.Y.

Dr. FRIEDMAN. To the honorable chairman and members of the Special Subcommittee on Education, before proceeding with the formal presentation, I would like to express my pleasure at being asked to report on the study of the Federal College work-study program I directed in collaboration with Ms. Sanders and Mr. Thompson.

All too often research products terminate in a dormant file and never reach the individuals who are charged with determining policy. I am grateful that this research and our experience are having an opportunity to be heard before changes are incorporated in the legislation.

I hope that the testimony presented here today will be useful. It consists of three major parts: First, a summary of the scope of the study conducted during 1970–71; next, conclusions regarding the strengths and weaknesses of the college work-study program; and finally, the recommendations that stem from these conclusions—suggestions for administrative or legislative modifications which might improve the program.

As for the study itself, in the summer of 1970, the Bureau of Applied Social Research was awarded a contract by the U.S. Office of Education to study the Federal college work-study program. At this time, it must be stressed that the study was conducted during the 1970–71 academic year, a period which has become part of the annals of history.

Legislation has since been changed and directives modified. As a consequence, some of the data may likewise have changed. The study was designed to obtain information about:

The types of programs operative in different institutional settings; the consequences of the program for students, institutions, and employing agencies; the effectiveness of the existing machinery at the national, regional, and institutional levels in the implementation and administration of the program; and, the relative success of the program in providing students of limited financial means an opportunity to continue their education beyond high school.

The data were obtained through questionnaires from more than 8,000 students enrolled in the Federal college work-study program at 800 schools; financial background information for more than 10,000 work-study students obtained from aid officers at almost all of these schools; questionnaires from aid officers administering the program at more than 2,000 participating institutions and questionnaires from over 2,200 individuals who supervised the employment of work-study students.

Qualitative data were obtained through personal interviews not only with students, administrators, and employers at 23 institutions, but also with Federal and regional officials. These direct inquiries were augmented by visits to two summer cooperative programs.

We concluded that the college work-study program was, in fact, achieving its primary goal of helping students from low-income families defray the cost of postsecondary education with earnings from school term and summer employment.

Compared with the overall student population in the United States, those participating in the work-study program were more often from a lower socioeconomic background and more likely to be members of ethnic minority groups.

On the average, work-study earnings were paying, as the chairman noted, one-half of the basic costs of attending college during the 1970–71 academic year, no small weight for one financial aid program to bear.

We also reached the conclusion that over and above the financial benefits of their employment, students were benefiting in other ways. A majority reported being very satisfied with their work-study jobs, and less than one in six was actually dissatisfied.

Most felt that through their job associations they were learning more about people, and a healthy proportion thought that they had gained useful skills and attitudes in the course of their employment.

In addition, some students were offered opportunities for extra hours of work or summer employment entirely at the employer's expense; and a few were even offered permanent jobs after graduation.

The beneficiaries of the program were not limited to the students. Most employers benefited as well. The majority had little but praise for their work-study employees. Only a few reported encountering problems as a result of hiring these students.

In fact, many employers reported that participation in the work-study program had increased their understanding of college students. For many of the agencies, the employment of work-study students had enabled them to expand operations.

As for the schools themselves, the college work-study program provided a means to maintain normal operations in the face of rising costs. This is not to be lightly dismissed in the face of the fight for economic survival plaguing many of these postsecondary institutions.

These then, are the outstanding aspects of the Federal college work-study program. But at the same time we uncovered serious defects. Most students, despite the satisfaction voiced, were spending up to 15 hours a week at jobs which they described as routine and as contributing little to their long-range growth. Only a minority was engaged in work related to the academic major or career interest.

Most institutions reported that their college work-study allocations were inadequate. Funds were so short that program administrators could not provide employment for all eligible students. In fact, one out of three schools had never established an off-campus program, primarily because funds and staff were not adequate for developing and monitoring such an employment program.

As a result, large numbers of students were being denied the opportunity to work in the stimulating employment settings typically provided by off-campus agencies.

These conclusions indicate the direction the Federal college work-study program should take in the future. In our opinion, modifications are necessary to justify its continued support if more than merely tuition money is to be granted from program participation.

Our recommendations for changes are of two types: those involving administration which would be implemented by aid officers at the institutional level or by those responsible for administering the program at the national or regional levels.

The second type, perhaps more germane to the purpose of this hearing, would require amending the legislation governing this program.

First, administration. One, at most postsecondary institutions, aid officers are responsible for administering all aid funds, including those from private scholarships, and from State and Federal treasuries as well. They operate with limited, if any, clerical staff. It is unrealistic to expect them to solicit academic or career related employment opportunities.

We recommend that the Office of Education inaugurate a publicity campaign directed toward potential employers of work-study students. The contest of this dissemination should point out the objectives of the program, outline the characteristics of the jobs which would fulfill these objectives, and specify the options available for program participation.

Two, a concomitant stress confronting the aid officer is job placement. It does little good to maintain a roster of job opportunities if there is neither time nor energy to serve as counselor to the student in the selection of a position.

We recommend that the work-study administrator work in liaison with a professional placement counselor in matching the student and the job. In fact, it would be preferable if the financial aid and placement functions were never performed by the same administrator.

Three, the importance of placing students in jobs related to academic or career interests must not be underestimated.

We recommend that academic credit be given for employment directly related to the student's major course of study.

Four, our findings suggest that sex discrimination and stereotyping frequently occur in job placement. Women students, regardless of class level, academic major, or grade average, were only half as likely as men to hold the kinds of jobs rated highly by the students.

A majority were in clerical or secretarial positions, thus perpetuating the stereotype of the woman office worker. Furthermore, job for job and region for region, the wages of women students were lower than those for the men.

We recommend that specific directives be addressed to the elimination of sex discrimination or stereotyping in job placement.

Legislation recommendations. One, the range of college work-study jobs at most institutions is limited. Cooperative education programs are consciously directed toward exposure of students to a wide range of fields and the college work-study program could allow for such a diversity of choice.

We recommend that the statutes governing the college work-study program be amended to enable selected profitmaking agencies to hire students eligible for aid under the program. These agencies should be equal opportunity employers; be accountable for creating educational employment opportunities for students from either minority or low-income groups; and contribute at least 50 percent of the student's wages.

Expanding the college work-study program to permit students to work for profitmaking organizations would not only create more diverse employment opportunities but would also enhance chances for role testing.

Furthermore, it would introduce students to carreer opportunities with higher income potential than occupations like social work or education and, in the long run, help narrow the income gaps which have persisted among the ethnic groups in the United States.

Employers overwhelmingly expressed positive sentiments about their experiences with work-study students. On the other hand, the aid officers were quick to report lack of funds and staff as major constraints in developing and monitoring the program.

We recommend that the employers be assessed a 10-percent administrative surcharge based on total college work-study earnings, with the stipulation that the moneys be used to support a field supervisor to assist the aid officer. In this way, a basic weakness in program administration would be corrected at the local level.

Notifications of allocations for the coming fiscal year are generally received too late to permit rational planning for their distribution to the students.

We recommend that each participating institution be notified no later than March 31 of its authorization of college work-study funds for the coming fiscal year, and that the Federal allotment to the institution be restricted to this amount and this amount alone.

In conjunction with this, we also recommend the abolition of supplemental allocations. If funding is stabilized, underutilization may disappear. However, in the event that all college work-study funds are not needed to meet wage commitments at a given institution, those remaining should be distributed in the form of grants to students whose need was not fully satisfied originally.

Inadequate funding has been an undercurrent throughout this presentation. The same complaints come from national, regional, State, and institutional officials. There simply is not enough money to provide employment for all of the students known to be eligible for aid; to monitor the program; or to move beyond the campus borders to diversify job opportunities.

We recommend an immediate and substantial increase in the appropriation for the college work-study program in order to meet the needs generated by the increasing number of schools participating in the program; the reported increase in eligible students entering college; and the rising cost of continuing education beyond high school.

As the legislation stands now, funds for regional office monitoring of the program are separate and apart from the acts creating the program. It is our consensus that this forces the regional staff to compete for scarce resources.

We recommend that the college work-study appropriation contain a stipulated amount for monitoring the program at the regional level.

Many formulations have been used to control the distribution of appropriated funds among the States and then among the institutions within the States, but these formulas have done nothing more than create pockets of severe deprivation.

We recommend that each institution in the Nation receive the same proportion of approved funding as every other. The proportion would be derived from the ratio of the program appropriation to the total funds approved for college work-study expenditures at every institution in the Nation.

Most entering freshmen have now reached their legal majority. However, they are allowed no voice in the structure of their aid packages. Grant funds are seldom able to cope with demand; earnings are limited by the ceiling placed on average number of working hours per week. As a result, any gap between need and aid must be filled with borrowed money, irrespective of the desire of the student.

We recommend that the ceiling be lifted from the number of hours approved for work and that the student be granted greater latitude in determining whether to work more and borrow less or work less and borrow more.

We believe that implementation of these recommendations would move the college work-study program far beyond simply providing students with tuition money, but would actually be contributing in a meaningful way to their education for a more productive future.

The recommendations presented here barely touch on the wealth of data to be found in the full report. It contains findings suggestive of other modifications which also deserve attention. As a consequence, we wish to have the report become part of the record as well.

Thank you for the privilege of speaking before you today. We will be happy to answer any questions you may wish to raise about our findings and recommendations.

Mr. O'Hara. Thank you very much.

Let me begin by clearing up a matter I am not clear about. Your suggestion is that the current system of allocation be changed.

Ms. Sanders. Do you have a full report by any chance?

Mr. O'Hara. Yes.

Ms. Sanders. On page 354 there is rather an interesting table that shows what happens. This is not for the work-study program alone, it is for all funds taken together. But, nonetheless, it is reflective of what happens.

[Table follows:]

MEAN FUNDING LEVEL OF TOTAL FEDERAL AID RECOMMENDATION AND INSTITUTIONAL STANDING BY FEDERAL REGION

Federal region	Mean percent of total aid recommendation funded	Percent of institutions falling below national funding level	Percent of institutions receiving less than two-thirds of recommendation	(n)
The Nation	79.22	47.03	19.26	(2,326)
I	73.69	68.54	27.23	(213)
II	70.69	74.30	34.62	(234)
III	91.23	7.91	4.32	(278)
IV	80.99	40.75	12.00	(400)
V	73.27	64.11	26.24	(404)
VI	89.25	15.65	5.22	(230)
VII	90.12	7.65	0.59	(170)
VIII	72.67	71.72	33.33	(99)
IX	71.90	71.95	32.58	(221)
X	73.66	66.23	32.47	(77)

Ms. Sanders. You will notice that the Federal funds that were appropriated for all aid programs were about 80 percent of the need that had been approved by the panel. This appears in the first column.

You will notice that in region 2, 70 percent of the amount of the approved funds was available for distribution within those institutions. Ninety percent of the amount recommended was allocated in region 3; 80 percent in region 4, only 73 percent in region 5, and as high as 89 percent in region 6.

You come over to the next column and there the percent of institutions within the region who fell below the national average are presented. Three-quarters of the institutions in region 2 were forced to get along on less than the national average of 80 percent of their funds.

If you go over to the next column you will find that a third of those institutions had to operate on less than 67 percent of the amount that the panel had actually recommended for the support of their aid programs.

Are you able to follow all right?

Mr. O'HARA. Indeed, and that has been a sort of recurrent complaint, the way these panel recommendations come out, the great variety in the way they come out.

Ms. SANDERS. This is in the spinning off of the funds and it really cripples many an institution's proposed use of their aid funds and does not allow for taking care of the needs that actually exist because the panel recommends the amount that they feel is really justifiably due to an institution.

After they have given the application very thoughtful review then it comes up to time for funding and in region 2 a third of the institutions are cut to about or less than 65 percent of the funds that they really need to operate effectively.

Mr. O'HARA. I am wondering what is the best way of correcting it. I am not sure I understand your recommendation.

Ms. SANDERS. We just feel if there is to be any discrepancy between need and appropriation that every institution in the Nation should receive the same reduction in the amount of funds that it gets.

Why should one institution in New York receive 50 percent of what it needs and then some institution someplace else receive 100 percent of its recommended funds?

Mr. O'HARA. So, in effect, you take the panel recommendation and if there was a shortfall of funds it would be ratably reduced.

Ms. SANDERS. That is right, it is just a simple decimal fraction of the appropriation to the total amount that has been approved by the panels.

Mr. DELLENBACK. I want to be sure I understand what you are saying. You are not suggesting that each institution do the approving. You are suggesting that after the institution has come up with its recommendations or request that the panel do the approving.

Ms. SANDERS. The panel would still review to be sure that someone didn't seem to be asking for more than was warranted for his particular situation.

Mr. DELLENBACK. Do you look upon the panel as a real decision-maker, or as a sort of perfunctory reviewer to be sure institutions haven't blown the application process? Are they really going to be the determiners—for instance, will they be saying 50 percent of these are really unwarranted and only 3 percent of those are unwarranted—or are they apt to say unless there is something major that is wrong, we will accept the institutional determination?

Ms. Sanders. You can't say that they just rubber stamp the institutional determination. There is history that goes into this as to how the institution has utilized its funds over the past because they can rely on fiscal operations reports, and on previous application forms to learn how the funds have been managed that the institution has been allowed before.

As I say, it is not a perfunctory rubber stamp. They take into account the history of utilization that has occurred previously and make sure that no one is really asking for more than what they feel is his just due.

Mr. Dellenback. How would you take care of the task of creating grantsmanship? A major institution that has a skilled grantsman puts in one kind of application, whereas a small institution which might have a novice working at it could produce a very different type of application.

Ms. Sanders. They even take this into account just a little bit. We have the sense that they rather tended to be a little protective of the small institutions where cutting one student out might decrease the amount of the request by 10 or 15 percent and they were a little reluctant.

They are always very willing to give someone an opportunity to show his ability to manage the programs. Also, they would call these kinds of things to the attention of the regional program officer and say it wouldn't hurt anything if you went out to visit this school and consulted with the fellow that is with the aid officer.

This is why we come in and ask for Work-Study funds or funding for the regional officers to go out and do their field work which they feel is just imperative to the proper operation of the program.

Mr. Dellenback. I think you were going to add something.

Dr. Friedman. Yes; I was going to say, as part of the study we did evaluate the panel procedures themselves and we had observers at every set of panels during the year of the study.

We felt that it was a fairly effective procedure. One of the recommendations, which I did not mention today because we were restricting ourselves to the college work-study program was that neophyte aid officers should be given a year apprenticeship at the panels to enable them to observe the panel process and to become familiar with procedures so that when they become full-fledge panel members they would have the knowledge and the confidence to add their input to the decisionmaking process.

We also suggested that at these panels Office of Education personnel should not serve on the subpanels themselves but should rather be on hand strictly as program experts to answer requests purely for factual information.

We also suggested there be created some kind of national commission for advisement on financial aid to serve as advisers to the small institutions that are having difficulty in administering their programs and filling out application forms and fiscal operation reports, since they do operate at a disadvantage compared with the grantmanship of the large institutions.

Mr. O'Hara. One of the things that you point out in your report is that 80 percent of the college work-study administrators questioned, the college administrators, indicated a willingness and capability of expanding the program if they were able to get more funds.

Dr. **Friedman.** Yes.

Mr. **O'Hara.** Within the framework of the present program, without legislative change, what sort of capability for expansion would you think there might be in this program, if we really did a good job of it?

I notice you suggest we use private employers. Let's set that aside for a minute. If we really do a good job in administering the present program, if we put in placement officers and really give them the personnel to do the job on placement, if we get the Office of Education to advertise college work-study to make its availability much better known than it is today, if we really decided we were going to push college work-study and do it right without making a single change in the law, what order of magnitude would you expect? And I will take this as sort of a horseback guess. I am not going to hold you to it.

Dr. **Friedman.** I would like to see, and realistically could expect to see, is an expansion of the off-campus employment program so that there would be at least a 50–50 distribution between off campus and on campus.

At the time that we started our research there had been a directive from the Commissioner of Education at that time—I don't recall who it was—that he would like to see the ratio of off-campus to on-campus employment reversed. At that time it was 20–80 and he wanted to see it become 80–20. I think that is unreasonable because there are many schools that are in geographic locations which make it impossible for them to establish off-campus programs.

But I think that overall it would be realistic to look forward to at least a 50–50 distribution. There is no question but that the opportunities offered off campus are more diverse, more stimulating, more challenging, and more highly rated by the students themselves.

I think that it would serve a concomitant effect of bringing more funds into the program by charging the off-campus employer a bit more for the use of work-study students, which could then be thrown back into the administrative program at the institution.

Mr. **O'Hara.** I would like to see the program improved and expanded if somehow we could do that because I think the program has a great deal of merit. I have heard some complaints that I would like you to comment on if you would.

One of the complaints I have received has to do with this business of the amount a student may earn on a work-study job which is determined with the needs analysis. If it shows that a student has a need of $478, when he has made $478, if that happens to come at 2 o'clock in the afternoon on November 23, you must go in and pull him off the job so that you are certain he doesn't make more than that magic amount.

I have heard the complaint that this makes for a lot of administrative problems shuffling these people in and out this way.

Ms. **Sanders.** There is another thing that occurs every once in a while too and this is, by midspring the bank account of the college work-study program runs out so that everybody who may have been counting on going up to his $478 according to the advance plan funds, there is no more money in the bank so he can't earn that $478. He has to settle for $400 and there are no more funds left to support the job for the rest of the academic year.

Dr. Friedman. This then has repercussions for the employer who then hesitates to take on a student who might be pulled off at any time.

Mr. O'Hara. I wonder if that doesn't build a lot of rigidity into it. That isn't very good, especially with the noncampus employer. It is a problem if it is a campus job. It is a worse problem if it is a noncampus job.

Dr. Friedman. Yes; I think it does.

Ms. Sanders. Very definitely so.

Mr. O'Hara. We have also heard a lot of complaint about the needs analysis system generally, the method of determining eligibility for the various Federal programs, the complaints centering on the notion that there are many who have need that come out showing no need.

I wondered if you would have any thoughts on whether or not the eligibility determination. Some of us on this subcommittee have sometimes complained that it is not entirely realistic to use the same criteria for loans or work which may appropriately be very, very tough on someone who is seeking a grant of public moneys.

If one is looking for a grant one perhaps ought to be able to justify it. We have sometimes thought that perhaps you ought to use a different criteria for loans where it is going to be paid back than for grants.

Also, there has been some thought expressed, although this is the first we have gotten into work-study, that perhaps the work-study criteria, in terms of determining who needs the job, ought to be a little bit easier to show need than if you were seeking a BOG grant, let's say.

I was wondering if you have any reaction to that.

Dr. Friedman. As a mother of three who are either at the undergraduate and graduate level now, I would say I have a rather positive reaction to this. I think the middle-class youngster is being squeezed out of all of the aid programs to a very large degree.

Only about one out of five of the work-study students in our sample were from incomes of $9,000 or over, and we all know what $9,000 can do as far as paying for a college education.

And these students tended to be those whose parents were contributing an average of $1,000 to their tuition.

Mr. O'Hara. That concerns me. It concerns me in particular and I for one feel very strongly that we ought to use a different kind of a needs analysis criteria when we are talking about loans and work-study jobs than we do when we are talking about grants.

The needs analysis system as presently practiced is so stringent in an effort to limit the eligible population that there are a large number of students from families of average income, in the $10,000 to $15,000 income range, who are just squeezed out completely.

They can't pay the costs from their family's resources and they can't get any help. As a matter of fact, they used to be able to go out and find a job because in those days, back in the unenlightened age when I went to school, the one that got the job was the one who somehow or other scrambled around and found it because a guy down the hall had a job at the same place and told them there was going to be a vacancy, or whatever.

But he somehow managed. Now, all the jobs or a very large part of them are college work-study jobs with eligibility criteria and you can't get those jobs.

Dr. **Friedman**. May I add, in relation to that that most students were in jobs which they obtained as a result of applying for financial aid and being assigned a job by the work-study administrator, the financial aid officer.

A very small minority, however, were in jobs which they themselves have found and, through some channels, had managed to have certified under the work-study program. These were usually the more stimulating kinds of jobs, particularly if they were on off-campus jobs.

We would like to make sure that this practice is not jeopardized by any future legislation, that the student have latitude to seek interesting career-related or major-related employment and that such jobs be able to be incorporated as legitimate work-study jobs.

Mr. **O'Hara**. You sometimes hear about where a student is interested in a particular field of work and finds someone on the faculty that has a similar interest and they create a job, and a real job.

Ms. **Sanders**. The creation is one of the things they have always been striving for, to create new positions for the student in preference to displacing anyone else from productive employment.

Mr. **O'Hara**. Another complaint I have had about the operation of the program is if you are coming up toward the end of the fiscal year and you have got an overage, your choice is to hurry up and spend it or else let it go back.

And so it is thought that sometimes this results in some very poor administration in that the schools ought to be permitted to carry over or transfer.

Dr. **Friedman**. The college work-study program is probably the most difficult to administer and severe problems arise when a school runs out of funds very quickly and can't fulfill commitments that it has made and then has to hope for a supplemental allocation.

Suddenly a supplemental allocation comes and they have to scurry around and look for openings for the students. That is why we feel that rather than a poorly administrated work program, these supplemental moneys should remain in the institution and be able to be transferred at the discretion of the aid officer.

Mr. **Dellenback**. Wasn't that one of the things we took a step toward with the 1972 amendments by providing a 10-percent floatback between SEOG and the college work-study? This provision was not in existence at the time of your study but came in with the 1972 amendments. It was intended to make this kind of flexibility possible.

Mr. **O'Hara**. I know you are surprised when the Congress is ahead of your recommendations.

Dr. **Friedman**. We had our recommendations in before the legislation. We are just sorry you didn't see them.

Ms. **Sanders**. This has been the kind of thing that has been troublesome in establishing summer programs because the summer programs would start in June just a week or so before the coming fiscal year. It was always a very ambiguous area to try to tide over and cover. Would moneys coming in be able to tide us through the summer? How much are we really going to get in the end?

And there is a very high level of uncertainty and insecurity even in the development of a summer program. How far do we dare go? As a result, the summer programs were never quite as large as they might have been. The student, of course, has the option of finding an eligible position at home and having it subsidized with Federal moneys if the local aid officer is willing to work out the arrangements.

But too often, the students, I think, are not even aware of this kind of option. This is another thing that should be included in that publicity campaign that might come about.

Mr. O'HARA. That would be a very good use right there.

One of the interesting things I noticed in your study was that a very, very small percentage of the students reported that their work-study job interfered with their studies.

Dr. FRIEDMAN. Yes; we were surprised. We had fully expected that they would complain that they had to drop their job in order to keep up with their studies, especially since these were students largely from disadvantaged homes who were also taking remedial work of some kind.

But apparently the job did not interfere with their studies.

Mr. O'HARA. In terms of institutions, as you indicate, some institutions did a better job than others. What can we learn from those institutions that are doing a really top flight job? If all institutions were doing that kind of a job we could have a very successful program.

Dr. FRIEDMAN. Right.

Ms. SANDERS. I was just going to say most of the time in a well-functioning situation the aid officer would not be a sole independent operative. He had some kind of supplemental assistance, be it even just a secretary or clerk, somebody to help process applications.

But it was the independent fellow who was really snowed under and who played not only his role as a financial aid officer—and I say "his" very loosely—or the role of the financial aid administrator, but he may have to teach a few classes as well or else help the athletic coach with the team, those kinds of things.

He had other pressures on his time and coudn't devote every energy that he had to financial aid administration.

Mr. O'HARA. Mr. Dellenback.

Mr. DELLENBACK. Thank you, Mr. Chairman.

May I lead with just a word of my own bias. I think this is one of the most valuable kinds of student aid programs we have, if not the most valuable. I think work-study not only has accomplished a great deal but has tremendous potential and I am therefore particularly interested in what you have said about it which is obviously strongly supportive of the program.

As far as your specific recommendations are concerned, it would seem to me that your first one about amending the statutes to provide selected agencies with a profitability nature and the capacity to hire students is excellent.

I am sure we could get into a discussion about some of the additions that ought to be attached—those are things we could and should look at. But concerning the basic idea of expanding the program, I am pleased to get the results of your study leading to that recommendation. I think that is the thing we are very much looking forward to doing.

I do have the feeling, however, that when we do this, we have to do it by creating incentives. You comment on work-study being a situation where most work-study students are people who apply for financial aid and then someone assigns them a job.

If we are going to reach outside of the campus, if we are going to get out into the community, then the very example you gave—that most of the stimulating jobs were jobs the students found for themselves and then they qualified it for work-study, would back up and corroborate one of my basic concerns. I am troubled that you are not going to get the employers with stimulating jobs, in any great number or on a broadened basis, willing to come in and say, "Send me three students," or, "Send me a student," or whatever it may be.

That employer out in the world, off campus is going to say, "Give me an incentive for doing this and give me a really bright, interested young woman or man. That is the type of person I want, and if you can produce this sort of a person, then I am ready to do it."

I am not sure the incentive recommendations about the assessment on the employer is the kind of incentive which I am thinking of. If anything, what that would possibly do is put some additional tax on the employer for this kind of thing. He is going to balance that off against what benefits flow.

I am not really commenting against the thrust of the recommendation because I really read the recommendation as saying somewhere there ought to be some money to support a field supervisor. And you say one of the places we could get the money was not out of the regular appropriations; we could get it out of the employer.

I am not sure that is a good mechanism. I think it might be better, if you think supervisors are sufficiently important, to take care of that as part of the appropriation and not try to turn around and take it out of the employer.

Ms. Sanders. Any way you get the money.

Mr. Dellenback. But do I read you correctly that your "any way" you are referring to should not place a burden on the employer, but really provide some means to get a field supervisor?

Dr. Friedman. Exactly. Some employers did indicate that they wouldn't object if they had to pay a slightly higher proportion. We asked them that.

Ms. Sanders. They were even not aware that they could contribute over and above the stipulated amount at that time, which was 20 percent. Many of them would voluntarily have paid a greater portion of the student's wage, and some of them did manage to do this, but it was as a side benefit that was never mentioned aboveboard.

Mr. Dellenback. I think I understand what you are suggesting. It is the supervision that is really important. The other is a mechanism where the employer who is asked to give 10 or 15 percent is going to balance that off against the benefits that come from the situation, and if the results are negative, no employer is going to pay for the privilege of having a work-study student.

On the other hand, if the differential is still sufficiently great, however you do it, whether you give him 80 and take away 10 or give him 70 and take away something else, it is going to come out with a positive net result.

When you talk about notifying the participating institutions, you are into the problem that we face with this whole issue. You know we have tried to reach forward on this with advance funding of some Federal programs so that the student, most particularly, can count on it and know of it in advance. I think the function of the advance funding is aimed at that.

We join you in hopefully substantially increasing the appropriation. It is compounded at the moment by a factor that was not true earlier, and that is the minimum wage. The basic question revolves around whether there is a real applicable differential, or isn't there.

I feel we must, this year, increase appropriations for college work-study, or we are going to find that what was a desirable increase in the minimum wage will have a backlash on the campus, which we just don't want to have happen.

Dr. FRIEDMAN. You should be aware though that some students were receiving below the minimum wage.

Mr. DELLENBACK. All I am saying is we have a problem here. I am not interested in policing what is actually happening at the moment, but I want to be sure at this stage that we reach forward properly.

This is an unfair question, and yet I am going to put it to you. I don't ask for a precise answer, but rather a generic one. Whether you deal with your fifth recommendation about monitoring the program, or whether you deal with your second recommendation about field supervisors, are these ideas sufficiently important that even if it meant money coming out of dollars going to the students, we ought to have the increased appropriation for supervision?

Ms. SANDERS. Yes.

Mr. DELLENBACK. You think it is that high up the ladder of priority, that even if it means fewer students getting the dollars, or fewer numbers of dollars going to students, there ought to be something set aside for improved supervision? Your study would say supervision is that important?

Ms. SANDERS. Yes, because if you get more knowledgeable administration, you are going to be saving dollars in the long run at every one of these small pockets that might be troublesome.

Mr. DELLENBACK. That which is happening at the present time is just inadequate in the way of supervision?

Ms. SANDERS. That is right because here again, it is an unstable kind of situation where there cannot be a plan set and you follow the plan. Too many times it has to be forsaken at the very last moment, postponed, maybe never picked up again. The counsel that was needed at the moment or prior to the time of preparation of the application or fiscal operations report, or of trying to develop internal controls for bookkeeping and self-monitoring of the program on campus, the expertise of the regional program office is not available. A job placement counselor was not there when necessary and, of course, the student's need, someone at that particular time to help them select his position.

Mr. DELLENBACK. On your recommendation 7, I recall a statement from Mr. O'Hara about the small number of students who have complained about their work-study interfering with their academic studies. Is that true, in your opinion, and would that start to change if we did indeed eliminate the ceiling?

Dr. **Friedman.** A number of students reported that they held a job other than their work-study job. That is, in addition to their work-study employment, they were babysitting or driving a taxi or whatever it might have been.

We don't think that another 5 hours would make the difference.

Mr. **Dellenback.** What if they tried to hold a full-time job?

Dr. **Friedman.** Of course, as I understand it now, work-study is now available for part-time students so that those students could theoretically hold a full-time job.

Mr. **Dellenback.** We did modify that provision in the 1972 amendments. Frankly, I asked the question to see if you had any opinion as to what might happen because we don't have any results.

I am a little bit concerned even though I was in favor of it and still remain in favor of raising the hours. I don't know whether we are going to get some difficulties from the over enthusiastic student who really overestimates his or her capacity to both carry both the academic load and an outside job.

Ms. **Sanders.** I think if he runs into this——

Mr. **Dellenback.** Or she.

Ms. **Sanders** [continuing]. A recipient—let's put it that way—runs into that kind of situation, they are interested enough in staying in school that they would go to the aid office and say, "I am just not quite so sure now that I tested this out for a few weeks that I really am going to be able to work this full a load," and would automatically cut himself back.

This is another instance where your initial counseling helps. Has the student ever worked before? Does he know what it is like to work and maintain scholastic averages?

Mr. **Dellenback.** And also for supervision.

Ms. **Sanders.** But we ran into students who were often dropping out of school for a term in order to be able to work full time and earn a greater amount of money than they could while they were in school and trying to study simultaneously. Constraints at home just forced this kind of behavior.

Mr. **Dellenback.** I think your testimony is helpful. I would say to both of you, we are grateful for it.

I still question No. 6. Mr. O'Hara opened up the questions on that and I must confess that area troubles me also. Looking on this chart at work-study for fiscal year 1975 funding, I am troubled by what I see.

I see my colleague's State of Michigan where we are talking about a 49 percent. In my State of Oregon we are talking about 38 percent. Our other colleague's State of Florida, we are talking about 68 percent. So, in these three States represented we have a great diversity in the total State allotment and what it will permit in the funding of the panel recommendations. We recognize that it has two component parts to it—maybe the State allotment formula is wrong so that it is low.

On the other hand, maybe the panel recommended levels are high. But maybe they have good programs there and they have a lot of young people who really want to do this. The net result in a number of States—not just my State—but also Washington, Idaho, Illinois and down the line—is that they are at a 38 percent level which is very low, particularly when some of these States are up at 75 percent or 78 percent. The State of Georgia is almost up to 79 percent.

In any event, this is one of the problems we do have a burden to work on legislatively, and we appreciate your input on it.

Mr. O'HARA. Mr. Lehman.

Mr. LEHMAN. I find all this quite interesting. I would like to explore the status of academic credit for work activity. I know, for instance, in my district a person can go to high school 3 hours a day and go to work in Burdines, a department store, and get full credit for high school.

And yet, when that person goes to the junior college and he wants to go into a management training program at Burdines instead of merchandising, as far as I know, most colleges do not give the same academic credit for work-study.

He could learn a heck of a lot more, with all due credit to colleges, working in a management training program in a department store than he can in taking merchandising at college.

To me this is one way to integrate the work-study porgrams I would like to see your reaction to that.

Dr. FRIEDMAN. We did not go into detail as to how this kind of recommendation would be implemented but I think it would have to proceed very judiciously. That decision as to whether work is directly related to the academic and career interest of the student would have to be determined by the academic dean and the department chairman in conjunction with the supervisor of the work-study student.

Mr. LEHMAN. Why couldn't a person work in my office here in Washington and get political science credit at Georgetown?

Ms. SANDERS. This is our feeling, and he should be able to, at this time. But so far, the academic community has not been called upon to make this kind of determination. This is another reason we include this profit-making recommendation so that the student who wants to be a buyer in a department store can gain that kind of experience.

Mr. LEHMAN. I don't want to put the academic community on the defensive, but it seems like what the high schools have done in these kinds of programs, the colleges have been dragging their feet on.

Dr. FRIEDMAN. Yes, and we recommend that they stop dragging them.

Ms. SANDERS. We are trying to force their hand.

Mr. LEHMAN. Maybe we can do that by the kind of incentives. I do think it is a very important area to explore in order to get the kind of motivation incentive not only for the public but for the private sector to involve themselves in the college work-study program. Let's face it; most of the things that a person learns that are of value to him are learned outside of the classroom.

Ms. SANDERS. He carries his direct experience with him.

Mr. LEHMAN. That is what I would like to see worked out at the college level.

I would like to say one other thing. One of the biggest problems that I have run into in the work-study program is simple transportation. I don't know how you are going to solve it but the amount of transportation problems the student runs into with the bus schedules or his cheap jalopy. Share-the-ride or hitching in many cases is the only way they can get around.

I don't know what kind of solutions you have but the things I am most interested in are academic credit and transportation assistance. Without transportation the opportunity sometimes is just a facade.

Ms. Sanders. There could be very well some kind of supplemental allowance for the student who has this traveling cost to bear on top of all of his other finances. This supposedly is taken into account in his need or in the fact that he may realize maybe 10 cents an hour more off campus than he does on, but even so, he makes more of a sacrifice in time because he has the investment of going to and from, depending on if it happens to be on his way home at night, if he is a commuting student, or if he has to come back to the college dorm.

Nonetheless, there is the impingement upon his time. Something else we thought might be taken into consideration was the creation of work-study jobs whereby two students might be filling a job full time and splitting it either 4 hours every day or maybe 2½ days a week if his academic schedule could be constructed in such a way that this were possible.

We felt that might be particularly worthwhile because then the job would be classified as work-study and always available and then finding the proper student to fill it would be the second need, but most of the time, if the job were created specifically for an educative purpose there would be no difficulty finding students to fill it because they are in every field.

Mr. Lehman. Let me just interrupt with one thing I would like to call to your attention. I have met with some groups in my district and asked them what their problems were. Even more than the problem of inflation, among the young adults that I meet with the No. 1 problem is meaningful job opportunities.

The jobs they have taken in order to get through college are usually the least meaningful jobs in the whole community.

Ms. Sanders. Most of the times those are the ones we found in the work-study program that were located on campus. On campus, as you will note in the report, many of the jobs are simple clerical positions and the chief reason that the students are even interested in those is that they work with nice people.

It is not the job itself but it is the environment in which they work and the personal associations, and there is not this transportation erosion of their time.

Dr. Friedman. But it is to the credit of the student that even though students say it is preferable to work on campus in terms of the time element they appreciated the off-campus jobs more than the on-campus ones.

Mr. Lehman. How about to the academic credit of the student?

Dr. Friedman. Let's hope we can add that also.

Mr. Lehman. One other thing I would like to mention is in our area particularly we have a very difficult time in filling jobs in mental institutions and nursing homes. If we could find some way to subsidize the employment to match a nursing home which can't hire people and a student who can't get a job. We should get those two together. There is no better training for academic credit than social welfare and social service than in a nursing home.

They can learn more in 2 weeks in a nursing home than they can in 2 years of college.

Mr. O'Hara. Mr. Dellenback, do you have another question?

Mr. Dellenback. Mr. Chairman, I would ask one other question.

Do you have a rough approximation of what percentage of students employed on campus are under college work-study?

Ms. Sanders. No.

Mr. Dellenback. I get the feeling that most are under college work-study. I wondered if you had any statistics?

Ms. Sanders. We don't have any actual figures on it and I don't know that there was really a financial aid officer who might give you a well-reasoned——

Dr. Friedman. We asked them about their employment programs——

Ms. Sanders. I don't know that we really thought we got satisfactory responses.

Mr. Dellenback. If you find in retrospect there is any statistics on that it would be helpful to us, and I would appreciate your making it available.

Mr. O'Hara. Something else I would be interested in is the amount of demand for these jobs. How many students would like to have part-time work opportunities to assist them in meeting their expenses during the school year? In other words, what is the potential clientele?

I know the potential clientele for summer jobs is just fantastically high. But I wonder if you know of any survey that has been done along those lines.

Dr. Friedman. I know of one that is possibly being undertaken as of July 1. The Office of Education has sent out a request for a proposal of the total impact of financial aid programs and whoever designs that study, I think, would be remiss if part of it didn't include an assessment of potential demand for financial aid.

We ourselves strongly urged the Office of Education to incorporate in the study we did a control group that would enable us to assess this type of demand. But the study was predesigned. The Office of Education was not ready to make that kind of change which might have involved a greater financial commitment.

Mr. O'Hara. I would be very interested in learning that.

Dr. Friedman. I think it is imperative. It hasn't been done.

Ms. Sanders. That is what we would like to know too.

Mr. O'Hara. I have a hunch that maybe if you went at it right you could take care of the demand without making too great changes. Certainly it would be worth trying.

It is something that ought to be salable to our colleagues where we could say "we are going to give today's students a chance to work their way through college, just like you did." Maybe he may not have as an actual fact, but he has been telling people for so long, that he believes it, too.

Mr. Dellenback. Ten miles through the snow.

Mr. O'Hara. I think it is something that is sometimes difficult to impress other Members with what we are trying to do, but if we can tell them that we are going to make it possible for these students to work their way through school, that is something very easy to sell.

Ms. Sanders. A student who applies for financial aid is a self-identified one. He is the one who says, "I want to fill out this application." How many individuals might be in a position to receive aid if they themselves were willing to identify or recognize, or know how to recognize the fact that they were eligible? How much larger that would make the field we don't know either because this control group wasn't there.

Mr. O'HARA. I think a very large percentage of students—I will go back to my first and less cautious statement—I think most students who can manage financially with what resources that are available to them and what they can earn in the summertime would probably rather not also be working during the school year. It makes for a very heavy load.

There are lots of other things you could be doing with your time in addition to studying, which they have discovered. I have a feeling you measure the need simply by measuring the demand.

I don't think students are wanting those jobs unless they really feel the need for the income that job would provide.

Dr. FRIEDMAN. May I add, working did not seem to detract from the student's ability to keep up with his or her classes. But the work-study student did complain about lack of time for any kind of social life: friends, family, athletics, and other social activities.

This is an important consideration. It is part of the maturation process.

Mr. O'HARA. I know that is a problem and is something, if we were to measure the demand effectively we could certainly measure the need because people are not out looking for ways to spend 20 hours a week.

Dr. FRIEDMAN. I hope Congress will appropriate the funds so we will be able to measure the demand.

Mr. DELLENBACK. Mr. Chairman, I apologize because I want to hear our next witness, but may I ask one further question as to an impression that Dr. Friedman or Ms. Sanders might have?

Realizing that we don't have a perfect world where we can get all the money we want and thus we have to balance off, here is the question: Would it be your feeling that if we move toward a program which brought more students in and reduced or eliminated the needs test and let every student stand on her or his own, would it be desirable to do that in light of your study, even if it meant that the Federal share had to fade so that we track from an 80 percent to a 70 percent or 60 percent, but in so doing opened it up to more students and more employers?

I painted a less than perfect world because ideally you would like to have both. You would like to do these things and still keep it at the present percentage. Would it be sound to gain that advantage of broadened involvement even if we had to do some slight fading off on the Federal share?

Dr. FRIEDMAN. I think we all bring our own values to any research we do and certainly to the recommendations that we make on the basis of it. My personal concern is that the loan burden of the student today is increasingly heavy. This loan burden is even heavier when they marry and their spouse also carries a loan.

Most of these students don't get the proper counseling to understand what it means to take out a loan year after year after year. Therefore, my answer to you would be yes, that it would be better to increase the opportunity for work for more students if this is going to mean a reduction in the necessity to take out increasingly heavy loans.

Mr. **Dellenback.** I suppose it is a teeter-totter, Dr. Friedman. For some student getting 80 percent CWS which might now become 70 percent, would we be decreasing the involvement of the employers, or would we put an additional burden on the institution that it would not be willing to bear, if we decrease the Federal share? I am speculating.

Ms. **Sanders.** I don't think so.

Mr. **Dellenback.** I read you, Dr. Friedman, as saying you feel if we could do it by opening up more opportunities on a broadened basis, even if we had to pay the price of dropping the Federal share somewhat to bring that about, it would be worth doing.

Dr. **Friedman.** Right.

Ms. **Sanders.** You were saying you just buy more jobs with the same number of dollars but you don't subsidize these jobs.

Mr. **Dellenback.** The question is how do we balance those at the present time with an 80 percent figure? If we drop it to 70 percent and keep the dollars the same, if the people came in for 30 percent as opposed to the 20 percent, the employer, on or off campus, then the students benefit. This is a calculated risk.

Dr. **Friedman.** On the basis of the overwhelming satisfaction of the employers and their stated willingness to pay a slightly higher percentage, I don't think you are going to lose employers.

If there is some way of adding a placement counselor, adding money for monitoring, and so on, I don't think the increase in the burden on the institution would be that much greater.

Mr. **Dellenback.** Thank you very much.

Mr. **O'Hara.** Thank you very much.

Dr. Friedman, counsel advises me you have been working on a supplementary educational opportunity study.

Dr. **Friedman.** I did, but I think that has really passed into the annals of history. It wasn't the supplementary. It was the old EOG program, academic year 1969–70. We evaluated the program and submitted a report which was not aired, so far as we know.

We found the program to be quite successful, but obviously lacking a number of elements. I would be glad to speak to it but I am afraid it is outdated since it has been supplemented.

Mr. **O'Hara.** We think perhaps there are some things we could learn from your study of the old EOG, event though the law has been changed. We are going to ask to be furnished a copy of this by the committee.

Dr. **Friedman.** It is down there. We sent them 50 copies.

Mr. **O'Hara.** Thank you very much.

Our next witnesses today will be Layton Olson, who is education director and Ryan Leary, legislative director of the National Student Lobby.

We are looking forward to hearing from the Student Lobby and get some of your ideas about how this program can be improved and made more responsive to the needs of the student body.

Mr. **Dellenback.** May I make one additional observation, Mr. Chairman, just before Mr. Olson starts? I notice the innovative nature of the testimony that Mr. Olson is presenting. He has brought it right out in the first words. We don't refer to you by your normal title. You have a different title than is normally given to the chairman.

Mr. O'Hara. I notice that. We are looking forward to hearing from you.

STATEMENT OF LAYTON OLSON, EDUCATION DIRECTOR, AND RYAN LEARY, LEGISLATIVE DIRECTOR, NATIONAL STUDENT LOBBY

Mr. Olson. Thank you, Mr. Chairperson. We have an extended statement here that I would like to place in the record.

This morning on the way to the hearing I also went to the bookstore and found something that is almost the size of the Friedman study. It is called "A Guide to Student Finances." It came out in 1973. I find one of these just about every 2 weeks, a giant guide on how to get through school, working and otherwise.

I don't know whether you want to reprint the entire thing in the record.

Mr. O'Hara. I am afraid the publisher and the Joint Printing Committee would both be upset with us for that.

Mr. Olson. Mr. Chairperson, we would like to thank you for the opportunity to testify on the work-related parts of title IV of the Higher Education Act. We appear here on behalf of the National Student Lobby, a federation of students.

We find overall that person's postsecondary education should be paid for through a combination of family contribution and grants, self-help from working during the summer or school year, work-study or other jobs, and through loans both directly from institutions and the Government, and from banks with Government guarantees.

The percentage of education paid for by need-based grants should increase. The value of a person's work in terms of paying for postsecondary education should not be eroded through inflation.

Any person in this country, regardless of family income, should have the self-help option to work in community service projects and receive educational benefits. The percentage of costs paid for by loans should not increase. This is our overall orientation.

Going through this material, I will go first through some observations and descriptions of the problem and then into some concepts that we feel relate to the work-study program and then into the recommendations.

In a recent interview, Lewis Mumford, talking about the way we live in commenting on the notion of whether we are in a dark age, does not agree with the title of Roberto Vacca's book "The Coming Dark Age," but the reason is not so comforting as it might appear.

"The dark age is not coming—we are in the midst of the dark age," said Mr. Mumford. "The point is that our technology which we always hoped would be the means to make men more happy and prosperous and give them full possession of the earth, is in danger of doing just the opposite."

In going through this analysis, is Mr. Mumford then telling MIT students in his lectures that life is hopeless? Not at all. But he is telling them that the only hope lies in drastic change.

Men must no longer be controlled by machines. They must work more with their hands; create gardens, not lawns. They must put aside violence and pornography, which are the signs of the Dark Ages.

Finally, people must voluntarily help each other and particularly help the aged. "Of course, there is hope," Mr. Mumford said. "We may be seeing the beginnings of change that may take two or three hundred years before it is completed. It must reject money and power as our ultimate goals."

As we move away from that vision of money, we start to look at the money in college. Today, about 5 million students work during the academic term and during the summer, earning approximately $5 billion per year. Thus, about 50 percent of the students of the 1970's are working.

This is an increase over the percentage working in the 1950's, in the 30 percentile range; and the 1960's in the 40 percentile range; although the percentage of employment income as a part of overall contribution to the cost of attending school has remained about constant, as has the number of hours and the number of weeks worked.

The constant proportion of college costs paid for from employment income from a higher percentage of students working at or near the minimum wage, indicates that the ratio of remuneration to college costs has increased.

Thus we get back to the slogan that it is getting harder and harder for a person to work his or her way through college. The fact that a large percentage of students must work 20 hours or more per week also has an impact on their ability to participate fully in campus life, as well as bringing about a feeling of being constantly under pressure.

In relating work programs to the grant and loan programs, we find that both grant and loan programs have in them the administrative and funding mechanisms which allow them to expand with the increase in student need based on enrollment and family resource changes.

The work-related elements have no overall mechanism to respond to student need and demand. In fact, college work-study has been funded at $270 million for the 3 years since fiscal year 1972 during which time there has been at least a 25-percent increase in eligible institutions and students, and a 25-percent drop in the value of the earnings based on the overall cost-of-living increases, and the even greater cost-of-living increases in postsecondary educational costs.

In addition, we find there are problems with the increase in the minimum wage, which was recently signed into law. Although the bill provides for colleges to pay students at 85 percent of the minimum wage, and without any precertification that students will not be displacing other workers, it now appears that there may be interpretations of the law allowing the subminimum wage to be paid in work-study jobs.

This means that when the minimum wage goes to $2 an hour, colleges will have the option to pay students as little as $1.70, which is under the current average wage rate with the minimum wage at only $1.60 per hour.

It is well known that even full minimum wage rates do not keep pace with the rate of inflation, and this proposed action would further erode a student's ability to work his or her way through college by working a given number of hours.

I would like to briefly go through some of the concepts in the work-related programs. First of all, we believe that work-study jobs and cooperative education jobs should be understood as "self-help" opportunities for students to develop their abilities as adults to control their own lives by both earning money toward the costs of education and by having meaningful job experience which will bring greater understanding of themselves, and greater security in terms of career experience and future job recommendations.

Work-related programs should be understood in terms of their ability to further opportunities for the alternation and integration of the work world and the academic world as the basic model for post-secondary education, both for career oriented persons and general education or liberal arts oriented persons, and to set the model for "lifelong learning" patterns in the integration of work, academics, experience, and career.

After all, currently a person normally changes careers three times during a working lifetime, and the number of changes is increasing as the pace and needs of society change at an accelerating rate. This pattern should begin while a person is in college.

Work-study programs should be designed to increase the meaningful nature of the job experience. I think there has been a good deal of discussion about it this morning. I will not go into any detail on that.

Regardless of the efforts to increase the meaningful nature of work-study jobs, it is extremely difficult to realistically expect that until the work-study program is greatly increased that there will be a sizable increase in off-campus jobs, or nonclerical or non-maintenance-work jobs.

Also, regardless of the expansion of cooperative education programs, there will always remain a high level of student demand and agency and community group need for students to work in community service jobs that do not necessarily lead to career opportunities.

Cooperative education programs are highly career and job oriented. We find there is need for an additional program to allow students or potential students to spend full time with a community organization or group as part of the option to alternate work/academic experience.

A community service fellowship program is currently being implemented by ACTION to begin in pilot program at the end of 1974 based on a budget request in fiscal year 1975 budget. Such a model should be given close study by this committee in the months to come to insure that it is integrated with the other work-related programs.

Persons attending post-secondary education full time should not have to work more than 15 hours per week. A person attending such an institution should not be forced to work 20 to 40 hours per week because this additional pressure prevents his or her full time participation in the study and dialog of the academic community.

The designing of work-study programs should allow a person to earn enough to meet his or her costs, in conjunction with grant programs, in order to be able to participate full time.

In work-related programs, the Federal Government's best leverage is in the encouragement of the alternation of work and school, and not so much in creating another student aid program, which could much more easily be distributed as grants except for the needs of financial aid offices for appropriate packaging of funds.

In putting together an alternation of work and school the Federal Government is taking an appropriate role of not directly planning or interfering with the operation of any institution of post-secondary education, but rather it is setting up the long range market forces and work-learning alternation which are necessary for all institutions of post-secondary education to gradually adapt to the needs of students and society.

The Federal role is one of setting up a marketplace which encourages alternation of work learning throughout a person's lifetime, which will allow the increased access by new students,older, low-income and others. This is another important and appropriate Federal role in post-secondary education.

The experience of cooperative education programs should be more closely coordinated with other work- and experienced-related programs. The success of cooperative education's networks for finding jobs and placing students both locally, regionally, and nationally should be used in aiding in the placement of work-study students in meaningful career and skills development jobs, in the placement of summer work-study students, and the development of intern and community-service job placement.

The student wages on campus should be evaluated and set in terms of the overall salary and budget determination process on each campus. It should be high enough to allow a student to attend that institution without having to work more than 15 hours per week, which involves consideration of both the wage rate paid and the relation to grant aid received by income level. The subminimum wage rate should not be used by educational employers.

A cross section of students on each campus should participate in a campus-based student financial resources committee at institutions eligible for any Federal student financial aid or self-help program, including college work-study.

This is a method of insuring ongoing consideration and underetanding of the purposes and uses of work-related programs as well as student financial-aid programs by all elements of the academic community.

In order to further develop understanding of the relation of student work experience to education and educational costs, it is important that there be a closer coordination of and increase in data collection and analysis between the Department of Health, Education, and Welfare, and its Office of Education, the Social Security Administration, the Department of Labor, the Veterans' Administration, State agencies and programs, and other agencies.

Only in this way can rational determinations be made, for example, of the need for increases in college work-study in years of high general unemployment when it is difficult for students to get summer or other off-campus jobs.

Such an indicator would also allow for the inclusion of student job provisions in public-employment bills during times of high general unemployment. Data collection and analysis, as well as a national clearinghouse, is urgently needed on the location and placement of persons in summer jobs.

The data regarding early commitment of funds, such as in December or January rather than April or May, would make it clear that a great barrier to summer student employment is the uncertainty and lack of information. Data collection is also necessary to provide analysis of the relationship between work and cost-effectiveness in models for financing of post-secondary education.

Many of the problems that students and institutions face in the alternation of work-learning experiences are also faced by faculty and administrators in post-secondary education. It is impossible to begin changes for students and patterns of attendance without a similar consideration and faculty and administrator composition and career patterns.

The basic problem is that of economic and psychological security for both the faculty or administrator and the student who will be embarking on a lifetime of learning and job change. Under job security or tenure systems in a world in which major shifts in enrollments and academic demand can be expected, faculty and administrators' career patterns will increasingly begin to approximate others in the employment pool.

To develop such flexibility will necessitate the integration of such concepts as the portability of faculty/administrator pension rights among public and private agencies and businesses, creation of pools of public service jobs for post-secondary educational personnel in emergency public employment legislation, expansion of sabbatical leave/faculty renewal programs in faculty contracts and in governmental and private planning, and development of models of appropriate faculty and administrator mix ratios—among research, teaching, adjunct, and student, faculty members and administrators—for post-secondary institutions with different combinations of purposes.

Last, the recommendations follow many of the concepts we have just been through.

There should be a formula in title IV to directly tie increases in levels of funding for work-related programs to funding for grant and loan programs, since all three should be related to general rises in the cost of education and allocation of those costs among Federal, State and local government, private sources, and students and their families.

Work-related programs should be looked at first in terms of their self-help potential—personal experience, career development and control over own environment—and second, in terms of the direct dollars of earned student aid.

Work-study provisions should administratively encourage a higher proportion of meaningful job experiences through incentives in percentage of Federal contribution, and administrative separation of eligibility and placement/supervision—particularly for larger institutions—and administrative cooperation with cooperative education placement and internship placement networks.

There should be a community service worker bill of rights program authorized to allow any person in this country who works for 6 months or longer with a public or private nonprofit community service agency or group at a minimal rate of pay to earn educational benefits based at or near the monthly GI educational benefits for each month of service.

Eligibility for this program should not be based on need, and it should not be looked on a substitute for Federal or State grant programs which are based on need, and which also have the goal of placing access to post-secondary education within the personal control of many persons who would otherwise not have such options.

Federal level work-study and grant and loan programs should be packaged to allow a student the opportunity to attend school while working no more than 15 hours per week. This recommendation is not meant to encourage students to borrow heavily.

Cooperative education networks should be expanded and used for many work-related placement purposes, including term and summer work-study and national internship clearinghouse purposes.

Subminimum wage rates should not be used in campus work-study programs. There should be an annual report on student wages, including the use of subminimum wage, to be taken from reports from every institution of post-secondary education, with an analysis of the displacement of other workers.

There should be a student financial resources committee established on each campus which has students eligible to participate in any Federal campus-based student financial aid program.

A cross-section of students from that institution should be members of that committee, which shall consult and work with financial aid and work placement offices in developing local campus policies under such Federal programs.

There should be a coordinated data gathering program to develop information on student jobs classifications and wage rates on campus and in campus-impacted job markets, as well as job possibilities as described in recommendation on use of cooperative education facilities.

Mr. O'HARA. Thank you very much.

Mr. OLSON. I will be happy to answer any questions.

Mr. O'HARA. Will Ms. Leary make a statement, or will she just answer questions?

Mr. OLSON. Answer questions.

Mr. O'HARA. A good deal of what you recommend would more or less indicate that it has to do with what has traditionally thought of as a cooperative education type of program; placement in career-related occupations and professions.

You, I think rightfully, recommend and point out the educational benefits of this, the development benefits, the personal development benefits. You say you would like to see a lot more of that sort of thing, and I think we can agree.

We run into a little problem with co-op programs. The institutions that have traditionally pushed co-op programs have felt that on the whole the best co-op jobs were those that involved no subsidy.

In other words, if Northeastern, Drexel or Cincinnati had a co-op student, they want a General Electric, or whoever it was, to hire that student because they felt it was a good deal for them, that they were getting something that was well worth what they were paying and they were paying the whole shot.

I believe they feel, although we are going to hear from them next week, that is sort of a test of whether it is a good co-op job. It isn't a good co-op job in their view if the benefits to the employer is not enough so that he feels the student's employment is worth what he pays for it.

I think there is something to be said for that. That is a pretty good way of testing it, the free market way of testing it. I think much more could be done in cooperative education than has been done; much, much more.

And I am really surprised that more institutions haven't gotten together and started pushing that sort of thing. I would like to try to find ways in our committee proceedings to get them to push it because these kids pay their whole way through school by co-op.

Mr. OLSON. The basic connection I see between the two programs is that through the cooperative education program you have this large series of Federal grants that go toward program administration in which there is a tremendous amount of supervision in finding good jobs. I think that is one of the elements we can really beef up in the work-study program.

I don't think that element depends on whether it is a subsidized job or not.

Mr. O'HARA. We don't really contribute to co-op that way. We have got a demonstration and research program, and so forth, that some schools get a little money under. But I think what you have said is something I want to seriously consider, whether we shouldn't really say to the institution that wants to push co-op, if you will push co-op we will pay what it costs you to do it because Mr. Dellenback and I and members of the committee are trying to find ways not of getting something for nothing, but of getting them to use. As my famous fellow Michigander Charlie Wilson said, we want to get more bang for the buck.

I see this is a way of doing that. If you said to the schools, you set up a co-op program, if you are interested, and we will pay all your overhead for doing that, and maybe we will even give you a little extra for every genuine co-op opportunity you create.

Then the private employers are the ones that are paying the wages so the cost-benefit ratio of that one for students would be very high.

Mr. OLSON. I agree, and I think even though the grants now for co-op education programs—in research and development I believe there is $10 or $11 million a year that has recently come up and it is going to about 600 institutions.

In many ways that does provide the stability behind the administration of that program, whether it is research or what not.

Mr. O'HARA. Not only that but something I know you are aware of, although you didn't mention it, is the tremendous record some of these institutions that specialize in cooperative education have in placing their graduates in jobs in the professions for which they concentrated at school.

It is an extremely high job placement record and a very high percentage of them in the kinds of jobs that they want rather than selling encyclopedias, or whatever, which is what political science graduates end up doing.

But, I am impressed with that because it is a very great problem for the average college graduate. With co-op you can ease that problem.

Mr. OLSON. I think, particularly in terms of the things you mentioned about summer employment opportunities, when you get beyond the one campus area and placing people in campuses around the country, with co-op education and the experience of people putting the jobs together with people, you could get a lot of bang out of a very small amount of money.

Mr. O'Hara. I thank you for your testimony, and I want you to know I share your concern over the provisions that permit the payment of less than a minimum wage to students. You can't hedge that provision with enough restrictions to make me happy.

I just want one restriction and that is one that says you can't do it, and I would be happy. I would like sometime to sit down with your group and discuss one of the ways we can get that provision out of the minimum wage law.

Mr. Olson. As long as it is in there it could at least be used to develop all the information we need about what is actually going on in campuses as to jobs and have the Department of Labor really work on that.

Beyond that, I think we are all aware of what the Secretary of Labor could do in terms of not going ahead with this in the college work-study area.

[Note.—The following letter was subsequently sent to the Secretary of Labor:]

May 14, 1974.

Hon. Peter J. Brennan,
Secretary of Labor, Department of Labor Building, Washington, D.C.

Dear Mr. Secretary: The Special Subcommittee on Edacation, of which I am chairman, is conducting hearings on the "work component" of title IV of the Higher Education Act of 1965, as amended. That work component consists primarily of the College Work-Study Program, and Cooperative Education. The Subcommittee's hearings are designed to provide us with a basis for rewriting title IV by the time the present law expires.

It is far too early to predict what shape the new title IV will take, but even this morning's brief hearings demonstrated again the wide-spread bi-partisan support for College Work-Study as a means of student financial assistance, and as a means for integrating a student's academic life with the world of work. During the testimony and in subsequent discussions, several of us were deeply disturbed to learn that your Department has submitted proposed regulations under the 1974 amendments that would permit payment of a subminimum wage to students holding jobs under the college work-study program. I believe the inclusion of these student employees under the subminimum wage procedures would be contrary to the intent of the Congress in enacting either the Work-Study provisions of the Higher Education Act, or, indeed, the subminimum wage provisions of FLSA.

The purpose of the College Work-Study Program was succinctly stated in the House Committee Report on the Higher Education Act of 1965, where the committee quoted a witness as saying:

"By making the College Work-Study Program . . . an integral part of a system of student aid, the present Higher Education Act of 1965 will create a range of possible forms of aid from which to shape a program of financial assistance *uniquely fitted to the individual needs of each student.*"

In the most recent CW–SP statutory amendments, eligibility was confined to "students with the greatest financial needs." It is clear, then, that one of the basic purposes of CW–SP is to put money into student hands so that those students can meet the steadily escalating costs of postsecondary education. A regulation carrying out the intent of the 1974 Amendments should not be interpreted beyond that intent to the point where it would, in fact, decrease the amount of assistance thus made available to students—whose need, I can assure you, is in no way decreasing.

But the intent of the FLSA Amendements themselves, I submit, would be violated by extension of the subminimum wage to CW–SP students. The intent of those amendments was to encourage the employment of students by providing employers with a wage cost incentive in the amount of 15% of the minimum wage. This 15% figure was agreed upon by all the parties to the debate over the 1974 Amendments and clearly represents the maximum incentive which the amendments were to provide.

The College Work-Study Program *already* provides employers—campus or off campus with an 80% incentive in the form of a direct subsidy to their wage costs—even where those costs are above the minimum wage. If the 15% FLSA incentive were made additive to the 80% CW-SP subsidy, the employer would be receiving an 83% "break" in his wage costs. That figure, I suggest, was never intended by the authors of either program.

I have read the draft regulations as published in the May 1, Federal Register, and I find nothing in that draft which either confirms or rules out the possibility that CW-SP employers may be held eligible for this further windfall. I would hope and, as Chairman of the Subcommittee responsible for College Work-Study, and a member of the Committee which developed the FLSA Amendments, I hope and strongly urge that you will clarify these draft regulations to rule out this absurd possibility.

I am authorized to advise you that Congressman Dent and Burton have read this letter and concur in these recommendations.

Very truly yours,

JAMES G. O'HARA, *Chairman.*

Mr. O'HARA. Mr. Dellenback.

Mr. DELLENBACK. I want to make one additional comment on that very thing. I hope what you gather in the way of information will, of course, be dominantly on campus. Yet you are, in effect, a bridge between the campus and the off-campus world—young people as well as the students.

When we look at this particular problem of the youth differential, and it has been a very troublesome one for Members of Congress, should it be just on campus, or just off campuses? Or, should it exist at all? Should it embrace young people who are in particular disadvantaged situations, or what should happen?

We just see a tip of the iceberg when we talk about the college work-study. We are talking about a very broad-ranging phenomenon. What we do or don't do with the minimum wage law will have an impact on helping young people get meaningful employment, or get a leg up on the ladder which they otherwise wouldn't be able to get.

Mr. OLSON. I think one thing the Department of Labor could do is measure not just the on-campus but the campus-impacted job market area which is right there. Perhaps this committee can take a look at some of the ideas that are talked about here in terms of the work-study program in terms of incentive for jobs in private industry on some kind of a subsidized level.

Maybe those would meet some of the objections to people who have seen the creation of jobs in the Neighborhood Youth Corp as too unstable a situation and not meaningful enough work.

I think oftentimes it might be possible to create even 2 or 300,000 jobs for youth in a very direct subsidized way that might or might not be created through the minimum wage, which is very much of a fluctuation.

I think the potential here of applying this work-study concept for private industry to the other youth is one that should be looked into quite a bit also.

Mr. DELLENBACK. When we look at the question that was opened up by Mr. O'Hara's dialog on cooperative education, we really have here, it seems to me, a potential field to make a closer working relationship between the business community and the campus.

The business community is ready to take aboard bright, interested, able young people and campuses across the country have a great opportunity to supply them. These young people who are employed return to the campus some very important and relevant feedback.

You can dream of educational opportunities on a campus that would be very much enhanced by the participation of the business community. They could work very closely together to improve education. If there is a good advisory operation, it is possible some of this could be done without subsidy at all.

Mr. OLSON. I agree with that. That could happen while a person is in their undergraduate years. I think that business linkage with campus resources for retraining of persons getting to be as old as 30, 40, and 50 is also very important to bring in a cross-section of society more and more on to the campus so that that dialog does begin.

I think one of the things we are going toward with the use of these models is the gradual common understanding through all these programs that we ought not use all our resources on students when they are young because if you do that you can't pay for them when they are 30, 40, and 50.

I think we need to look at this thing as a whole.

Mr. DELLENBACK. May I ask a question about two parts of your testimony and, may I commend you for this before I ask the question? I appreciate what your group has done and especially the interest that has brought it to the point of making contributions to us legislatively—not just on this issue but in the time that has gone before. I commend those of you who have been involved on behalf of the lobby, and you most particularly for input. It has been very helpful.

You talk in one of your recommendations of persons attending postsecondary education full time not having to work more than 15 hours a week. Are you suggesting that any program we create reinstate that kind of limitation?

Mr. OLSON. Not really. I think what we need to do—by putting that in the testimony I was trying to reflect the feeling that when a person is going to school they ought to be going to school and they ought to have the resources to get there.

They should really have a grant. They ought not to have to be working 20 or 40 hours. A person ought to be able to go to that school at least three-quarters of the time because, I think, looking at the overall purposes, if we want to create a guideline on campus, persons in general should not just be in there for a few hours and out, although that may be good for a number of persons.

But, as it starts to become a general way of going to school, you have less and less participation in what is going on on campus. That is the way I look at it. It provides a number of ways to look at both the minimum wage, the relationship to the grant programs and just the overall feeling that we don't have enough time to sit and reflect.

Perhaps a normal liberal arts graduate coming from an upper middle income family does have the time, but I think that report on work-study done at Columbia indicates there is generally a feeling of too much pressure.

I think that is what that suggestion relates to.

Mr. DELLENBACK. You are not suggesting we so legislate that it be forbidden that one work more than this and still get benefits under the program?

Mr. OLSON. No.

Mr. DELLENBACK. Another one of your recommendations talked in terms of wages being set high enough to allow the student to attend the institution without having to work more than 15 hours a week.

Mr. OLSON. That relates to the same point.

Mr. DELLENBACK. You are not suggesting we eliminate the loan programs?

Mr. OLSON. No; I think what I am suggesting is not increasing the burden that is being placed on the American family. I think some of the studies now indicate that students and their families contribute about 53 percent of the total cost of attending those institutions.

And what happens is when you find a loan program that is very easy to have access to and when you have inadequate wages and inadequate grants, the pressure is to take a big loan now because maybe you can pay for it.

But I think we really need to keep an eye on the percentage of cost that is being put on the student through those loan programs. Again, the notion of having a person 18 to 22 take on a large loan is putting a tremendous psychological pressure.

You essentially mortgage the person psychologically for life and it locks them in that bureaucratic mold. You have less personal freedom when you have a high level of personal loan, and I don't think we should particularly encourage it.

We should allow a person to work now for a good wage, to even go out of school into a community service program and earn a couple of years worth of educational benefits or get grants.

Mr. DELLENBACK. That leads you to feel that needs tests are important and should be preserved or that they should be eliminated?

Mr. OLSON. The needs tests are important. I think the most important thing is not to allow the total amount of the loan to get out of hand. I think there is a problem in increasing the time during which you can pay back from 10 years to anything above. That is a pretty big watershed.

If a person wants to borrow $1,500 or $2,000, there should be a real caution given: "Do you know what you are really doing"? And the other option to work at that time for a good wage or to get a grant should really be there so the person is not pushed into that situation.

Mr. DELLENBACK. You see it as a balanced type of financial package being available to the normal student on campus?

Mr. OLSON. Yes; but I see the grants going up somewhat and the loans going up somewhat and the work-related elements remaining somewhat static. That is why I was referring to a formula which, in some way, would relate the work-related parts of this so they would continue to be funded based on a certain level of demand and cost of living.

Mr. DELLENBACK. I am not really sure if I recall correctly what we covered in the national Commission's statistics. My recollection is, percentagewise, we were somewhat in the 30's.

The studies the Commission made would indicate the student and family were carrying, not 50 percent of the load of cost, but somewhere in the 30 to 40 percent range.

In any event, you are talking to the question of the relative load.

I would close by expressing appreciation for your testimony on the impact of work-study remaining static, because that concerns me very much. You make the point eloquently and well that the GI Bill has gone up, Social Security benefits have gone up, public assistance grants have gone up, but work-study—by remaining at a level figure—is actually fading off relatively.

Mr. Olson. Probably over the last 4 years it has effectively been cut in half.

Mr. Dellenback. I think that is most unfortunate and something that really needs to be rectified.

Thank you very much for your testimony. Thank you, Mr. Chairman.

Mr. O'Hara. Thank you for appearing before us. We will have opportunities to talk to you again, I am sure, about this subject and the other parts of the student aid package. We will look forward to close cooperation with you in the months ahead.

Mr. Olson. Thank you very much.

Mr. O'Hara. The Special Subcommittee will stand in adjournment until tomorrow at 9:45 in 2261.

[Whereupon, at 12 noon the subcommittee recessed, to reconvene at 9:45 a.m., Wednesday, May 8, 1974.]

[Mr. Olson's prepared statement follows:]

Testimony of Layton Olson, Education Director, and Ryan Leary, Legislative Director, National Student Lobby

Mr. Chairperson, we would like to thank you for the opportunity to testify on the work-related parts of Title IV of the Higher Education Act. We appear here on behalf of the National Student Lobby, a Federation of students, student government associations, and statewide student organizations which directly represents students in 290 institutions, with an enrollment of over 2 million students. This is out of the approximately 3,000 institutions of higher education in two and four year, and graduate schools, and the 7,000 non-collegiate institutions of post-secondary education, with a total enrollment of approximately 11 million.

The National Student Lobby was organized in 1971 during the midst of the consideration on the Education Amendments of 1972. At that time it was not possible for our organization to study, to discuss among students of many backgrounds, and to bring a continuing and extensive dialogue with Members of Congress, the Administration and other persons and associations in the post-secondary education community, on our ideas—as representative of a coalition of students on a full range of issues in the financing of post-secondary education.

During the period 1971–1972, the National Student Lobby focused on one student financial aid priority—the authorization of Basic Educational Opportunity Grant programs as the cornerstone of the Federal government's role in the eventual development of full and legally enforceable financial "entitlement" rights to access to post-secondary education for each person in this country.

Based on the work we have done in the past three years, and based on the following principles of "access to the educational and political system" of this country developed through three Annual Referenda and three Annual Conferences, the National Student Lobby today would like to begin the dialogue necessary for the development and clarification of the concepts involved in Title IV's work related programs and their relation to other student financial aid programs.

PRINCIPLES OF ACCESS

(1) No individual shall be denied access to post-secondary education because of race, creed, ethnic origin, sex, age, financial need or other arbitrary criterion. Participation in post-secondary education should come to reflect individuals from a cross-section of backgrounds and experience in this country.

(2) Insuring equal access is the responsibility of the country as a whole, but rests particularly with the Federal-State partnership working in conjunction

with private contributors, institutions, students and their families. The percentage of the total costs of attending post-secondary educational institutions paid for by the student and his family is already over 50 percent, and is a crucial issue in access to post-secondary education. That percentage should not increase.

(3) A person's post-secondary education should be paid for through a combination of family contribution and grants, self-help from work during the summer or school year, work-study or other jobs, and through loans both directly from institutions and the government, and from banks with government guarantees. The percentage of education paid for by need-based grants should increase. The value of a person's work in terms of paying for post-secondary education should not be eroded through inflation. Any person in this country, regardless of family income, should have the self-help option to work in community service projects and receive educational benefits. The percentage of costs paid for by loans should not increase.

(4) Learning is the integration of discipline and dialogue developed in the academic and campus community, and through personal experience outside that community. Methods should be greatly expanded to further opportunity for alternating on-campus and off-campus experience, involving both work and learning opportunities, in order to present meaningful options for all students.

(5) While in the academic community, no student should be prevented from taking part in the academic interchange because of excessive work hours. Financial aid should be available for students so that they have to work not more than 15 hours a week while attending school, and so that they can devote at least three-quarters of their time and energies to the process of dialogue and self-development.

INTRODUCTION TO PROBLEMS OF CONTINUING CHANGE IN POST-SECONDARY EDUCATION

All work in the area of planning for the financing of post-secondary education is difficult because of the continuing nature of social and technological change, affecting us personally, as well as our analysis of "work" in post-secondary education. Change comes through waves of what has been called "future shock." In the past twenty years, the world has experienced the shock of on-rushing social, economic, political, environmental and psychological forces which have been described and analyzed by many persons in similar ways. Every analysis points to an acceleration of the processes involved in these forces, which demand the common attention and dialogue of us all, not simply as a luxury or useful exercise, but as a necessity as we become more interdependent.

In this country, the past twenty years have brought the shock waves of many forces: The civil rights movement, the student movement, the environmental movement, the women's movement, the ethnic movement, and the suburban movement. There have been the shock waves of the war in Southeast Asia and a general de-legitimization of governmental leadership at all levels under the cloud of Watergate and the attendant evidence of government tampering by the private sector. This country has felt the beginnings of long-term struggle over the control of limited international resources. It has felt the shock of inflation and the loss of control over daily life.

A recent interview with Lewis Mumford centered on the functioning of society in the past and in the future with conclusions which are directly relevant to our system of post-secondary education:

> "Mumford Urges Drastic Changes in the Way We Live" (from the April 27, 1974 *Washington Post* article by Robert Donovan)
>
> Lewis Mumford does not agree with the title of Roberto Vacca's book, "The Coming Dark Age," but the reason is not so comforting as it might appear.
>
> "The dark age is not coming—we are in the midst of the dark age," said Mumford, the 78-year-old social philosopher, cultural critic, historian, and authority on architecture and city planning.
>
> "Civilization is going downhill," he said. "Very definitely. The two World Wars brought on violence never before practiced. Whole populations have been exterminated. We civilized nations used the most barbarous means to wage wars and then undermined the recovery of defeated people by destroying their food supplies. We do what the Assyrians did when they went to war. They conquered, destroyed, slaughtered by hand, and then salted the land so no more food could be grown. That is exactly what we have done in the Vietnam war.
>
> "There was wholesale slaughter in Europe and Japan on an order never reached before. I don't deny great monarchs didn't want to do that, but they

did not have the means that we do. And we have closed our eyes to it. This is what is so dangerous.

"The point is that our technology, which we always hoped would be the means to make men more happy and prosperous and give them full possession of the earth, is in danger of doing just the opposite."

Mumford concedes that civilization has gone downhill before and recovered.

"But the situation is different now," he said. "In the past when civilizations went downhill it was a relatively local phenomenon. Rome only covered a small amount of territory, really. While Roman civilization declined, other civilizations flourished in China or India or South America. Now, with the world more closely knit and held together by modern communications, when civilization goes downhill, the whole planent (sic) goes down.

"Furthermore the pace of things was slow then. The decline of Rome was a process that occurred over a number of generations. Modern conditions have changed that. Now decline comes most rapidly in advanced nations. As we are the most technological nation, it is coming more rapidly here."

Is Mumford then telling M.I.T. students in his lectures that life is hopeless? Not at all. But he is telling them that the only hope lies in drastic change. Men must no longer be controlled by machines. They must work more with their hands; create gardens, not lawns. They must put aside violence and pornography. ("These are signs of the Dark Ages.") Finally, people must voluntarily help each other and particularly help the aged.

"Of course, there is hope," Mumford said. "We may be seeing the beginnings of change that may take two or three hundred years before it is completed. It must reject money and power as our ultimate goals."

In post-secondary education the past 20 years have brought the development of a major Federal role in the funding of facilities, meeting students' financial needs, and advocacy of equality of access. We have seen the post-secondary enrollment double to 11 million persons.. There has been the breakdown of the four year academic education lockstep as the dominant psychological administrative and financial model. Increasing costs have brought many elements in society to the point of asking "What are the purposes of post-secondary education?"

In the "Survey of Student Response" to the National Commission on the Financing of Post-secondary Education, the purposes of students were focused on (1) opportunities for increased personal self-awareness and development and (2) increased opportunity for skill development leading to the security of job employability. On the basis of these findings from extended interviews and the survey of a cross-section of students and student organizations, we begin to understand the many-faceted purpose of "work" in post-secondary education: Financial aid, personal self-development, occupational job security, and the beginning of a lifelong process integrating "work" and "education" in order to communicate with each other, and individually and collectively understand and control the forces of change around us.

DESCRIPTION OF WORK IN POST-SECONDARY EDUCATION TODAY

Today about five million students work during the academic term and during the summer earning approximately $5 billion per year. Thus, about fifty percent of the students of the 1970's are working. This is an increase over the percentage working in the 1950's (in the 30 percentile range) and the 1960's (in the 40 percentile range) although the percent of employment income as a part of overall contribution to the cost of attending school has remained about constant, as has the number of hours (perhaps one or two more per week now) and the number of weeks worked. Today there are more part-time students and more low income students who must work, and work has become the norm for students rather than the exception.

Today, about 140,000 cooperative education students alternate periods of work with periods of campus-based study, earning about $350 million, averaging to about $2500 per person.

Persons in post-secondary education normally work at or near the minimum wage, whether students are in work/study jobs or in other campus-area jobs. In 1971 the average work/study student received $1.70 per hour, while making an average of just under $600 per year.

The constant proportion of college costs paid from employment income from a higher percentage of students working at or near the minimum wage indicates that the ratio of remuneration to college costs has increased. This means that it is getting harder and harder for a person to work his or her way through college. The fact that a large percentage of students must work twenty hours or more per week also has an impact on their ability to participate fully in campus life, as well as bringing about a feeling of being constantly under pressure.

Work/study in the past three years, FY 72, 73, and 74 (which employed over 500,000 students with average earnings of about $600) has received no expansion in funding. At the same time grant programs at the Federal level have increased in Title IV through the beginning of the Basic Educational Opportunity Grants program, the continuation of the Supplemental Educational Opportunity Grant program, and the beginning of the State Student Incentive grant program to encourage each state to develop a need-based state scholarship program. In addition, the G.I. Bill and Social Security, and public assistance grants for education have increased.

There has been progress—although not always steady—in the expansion of Federal student loan programs through the Guaranteed Student Loan and National Direct Student Loan programs.

Both the network of grant and loan programs have within them the administrative and funding mechanisms which allow them to expand with the increase in student need based on enrollment and family resource changes.

The work-related elements have no overall mechanism to respond to student need and demand. In fact, college Work/study has been funded at $270 million for the three years since Fiscal Year 72, during which time there has been at least a 25 percent increase in eligible institutions and students, and a 25 percent drop in the value of the earnings based on the drop in value of cost of living increases, and the even greater cost of living increases in post-secondary educational costs. In addition, the work study program for community service, with veterans receiving preference, has never been funded since being authorized in the 1972 Education Amendments.

In addition, there are problems with the increase in the minimum wage, which was recently signed into law. Although the bill provides for colleges to pay students at 85 percent of the minimum wage (and *without* any pre-certification that students will not be displacing other workers), it now appears that there may be interpretations of the law allowing the subminimum wage to be paid in work/study jobs. This means that when the minimum wage goes to $2.00 per hour, colleges will have the option to pay students as little as $1.70, which is under the current average wage rate with the minimum wage at only $1.60 per hour. It is well known that even *full* minimum wage rates do not keep pace with the rate of inflation, and this proposed action would further erode a student's ability to work his or her way through college by working a given number of hours. Students will have to work longer hours, if they can even find employment.

This is the "work" situation facing students in post-secondary education today. A much more detailed review is given in the 1973 study "The Federal College Work Study Program: A Status Report, Fiscal Year 1971" by Friedman, Sanders, and Thompson of Columbia University's Bureau of Applied Social Research under contract with the Office of Education.

CONCEPTS IN WORK-RELATED PROGRAMS

One of the problems facing the College Work/Study program in its inability to expand is the difficulty of conceptualization of its basic purpose. Born out of the War on Poverty, and originally administered by the Office of Economic Opportunity as a means to allow a large number of low-income persons to earn money (as well as receive job experience) in order to attend college, the program is now a part of Title IV Student Assistance. Is Work/study a *financial aid* program, or is it a *job experience/manpower training* program? Since the program is both, and subject to conflicting pressures, it has been difficult to focus on the purposes of expansion. The following are a series of concepts and observations which relate to the College Work/Study program and other work-related parts of post-secondary education which we hope will provide the focus for clarifying the purposes of "work" in post-secondary education, and thereby provide the rationale for funding of work-related programs.

The National Student Lobby feels that after the funding of the Federal grant programs, work-related programs are the next highest priority, and that it is crucial that the Higher Education Amendments of 1975 or 1976 be adopted to reflect this priority.

(1) Work/study jobs and cooperative education jobs should be understood as "self-help" opportunities for students to develop their abilities as adults to control their own lives, by both earning money toward the costs of education and by having meaningful job experience which will bring greater understanding of themselves, and greater security in terms of career experience and future job recommendations.

(2) Work-related programs should be understood in terms of their ability to further opportunities for the *alternation and integration of the work world and the academic world* as the basic model for post-secondary education, both for career-oriented persons and general education or liberal arts oriented persons. The need to greatly expand such programs immediately is based on the need to allow students a full range of choices in post-secondary education, and to set the model for "lifelong learning" patterns in the integration of work, academics, experience and career. After all, currently a person normally changes careers three times during a working lifetime, and the number of changes is increasing as the pace and needs of society change at an accelerating rate.

(3) Work/study programs should be designed to *increase the meaningful nature of the job experience*, whether in on-campus jobs or in off-campus community based jobs. This can be done through a series of devices such as by reducing the Federal contribution from 80 percent to 60 percent for jobs not related to career areas or skill development areas; or by reducing the Federal subsidy to 60 percent for all on-campus jobs, since these jobs are normally less career or skill development oriented, and give the student the least opportunity to develop an understanding of the alternation of the academic and outside style of work. It is also possible to encourage the development of meaningful jobs and work experiences by increasing attention to job placement, which might be done through an additional administrative allowance, through the separation of determination of eligibility from that of placement/counseling/supervision (particularly in large institutions).

(4) Regardless of efforts to increase the meaningful nature of work-study jobs, it is extremely difficult to realistically expect that until the work/study program is greatly increased that there will be a sizeable increase in off-campus jobs (today one-third of the institutions have no off-campus work/study program at all) or non-clerical or non-maintenance work jobs. Also, regardless of the expansion of cooperative education programs, there will always remain a high level of student demand and agency and community group need for students to work in community service jobs that do not necessarily lead to career opportunities. Cooperative education programs are highly career and job oriented. There is need for an additional program to allow students or potential students to spend full time with a community organization or group as part of the option to alternate work/academic experience. In such a program, it is important that a student should be able to "earn" something of value (since the wages will be very low, or none at all) such as educational benefits similar to G.I. bill benefits for each month worked. A Community Service Fellowship Program is currently being implemented by ACTION to begin in pilot program at the end of 1974 based on a budget request in FY 1975 budget. Such a model should be given close study in the months to come to ensure that it is integrated with the other work-related programs.

(5) *Persons attending post-secondary education full time should not have to work more than 15 hours per week.* A person attending such an institution should not be forced to work 20 to 40 hours per week because this additional pressure prevents his or her full time participation in the study and dialogue of the academic community. The designing of work/study programs should allow a person to earn enough to meet his or her costs, in conjunction with grant programs, in order to be able to participate full time. In order to do this, increasing use of summer work/study through additional funding would be important, so that when a person is working and when a person is attending college he or she can give his or her full time to study, reflection and personal participation.

(6) *In work-related programs, the Federal government's best leverage is in the encouragement of the alternation of work and school*, and not so much in creating "another" student aid program (which could much more easily be distributed as grants except for the needs of institutions for low-cost work force and the needs of financial aid offices for "appropriate packaging" of funds for students of particular income ranges and financial circumstances at that in-

stitution). In doing so, the Federal government is taking an appropriate role of *not* directly planning or interfering with the operation of any institution of post-secondary education, but rather it is setting up the long range market forces and work/learn alternation which are necessary for all institutions of post-secondary education to gradually adapt to the needs of students and society. The federal role is one of setting up a marketplace of encouragement of alternation of work/learn throughout a person's lifetime, which will allow the increasing access by "new students" (older, low income, and others) which is another important and appropriate Federal role in post-secondary education.

(7) *The experience of Cooperative Education programs should be more closely coordinated with other work and experience related programs.* The success of cooperative education's networks for finding jobs and placing students both locally, regionally, and nationally should be used in aiding in the placement of work/study students in meaningful career and skills development jobs, in the placement of summer work/study students, and the development of intern and community service job placement.

(8) *The student wages on campus should be evaluated and set in terms of the overall salary and budget determination process on each campus.* It should be high enough to allow a student to attend that institution without having to work more than 15 hours per week (this involves consideration of both the wage rate paid and the relation to grant aid received by income level). The sub-minimum wage rate should not be used by educational employers.

(9) *A cross-section of students on each campus should participate in a campus-based Student Financial Resources Committee* at institutions eligible for any Federal student financial aid or self-help program, including college work/study. This is a method of ensuring on-going consideration and understanding of the purposes and uses of work-related programs as well as student financial aid programs by all elements of the academic community.

(10) In order to further develop understanding of the relation of student work experience to education and educational costs, it is important that there be much *closer coordination of and increase in data collection and analysis* between the Department of Health, Education and Welfare, and its Office of Education, the Social Security Administration, the Department of Labor, the Veterans Administration, state agencies and programs, and other agencies. Only with the development of annual reporting procedures on wages paid and persons employed in different job categories on campus and in campus-impacted job markets will there be sufficient data to design programs with an understanding of impact of Federal or other decisions, or economic conditions. Only in this way can rational determinations be made, for example, of the need for increases in college work/study in years of high general unemployment when it is difficult for students to get summer or other off-campus jobs. Such an indicator would allow for the inclusion of student job provisions in "public employment" bills during times of high general unemployment. Data collection and analysis, as well as a national *clearinghouse, is urgently needed on the location and placement of persons in summer jobs.* The data regarding early commitment of funds (such as in December or January rather than April or May) would make it clear that a great barrier to summer student employment is the uncertainty and lack of information. Data collection is also necessary to provide analysis of the relationship between work and cost-effectiveness in models for financing of post-secondary education.

For example, the National Commission on the Financing of Post-secondary education's planning models of cost-effectiveness were built around data on the "costs of running institutions" and the "outputs in terms of units and degrees." It did not have the resources to develop models to measure the potential increase in students' ability to develop skills in a short period of time based on increased self-understanding and motivation derived from an alternation between on-campus and off-campus experience. Also, the purely educational models do not develop data for understanding the cost-efficiency of an overall social system which has come to rely more and more on elaborate and constant long range planning and testing of social sub-systems before implementation (such as health, welfare, education, housing product consumption and other systems with high variables involving human motivation) in order to avoid costly financial and social decisions. In the instance of academic communities which have integrated work/learn situations and have cross-sections of society enrolled, there is the question of the value to society as a whole in having a series of such communities in which to test and evaluate in a continuing face-to-face dialogue. There are questions about the costs and productivity in having a series of early monitoring systems for a wide range of public and private subsystems which are in the process of constant change.

(11) Many of the problems that students and institutions face in the alternation of work/learn experiences are also faced by faculty, and administrators in post-secondary education. It is impossible to begin changes for students and patterns of attendance without a similar consideration and faculty and administrator composition and career patterns. The basic problem is that of "economic" and "psychological" security for both the faculty or administrator and the student who will be embarking on a lifetime of learning and job change. Under "job security" or 'tenure" systems in a world in which major shifts in enrollments and academic demand can be expected, faculty and administrators' career patterns will increasingly begin to approximate others in the employment pool. This means a series of career changes. Under a "tenure" career pattern, a person might have the right of access to a job either at the same institution, another educational institution, at a governmental or private agency in the same or another state, or in a private business. A system such as this would begin to have the administrative and financial flexibility that will be needed in the future to avoid the crises and sudden dislocations such as that of the termination of 104 faculty members at Southern Illinois University due to a drop in enrollment. To develop such flexibility will necessitate the integration of such concepts as (1) the "portability" of faculty/administrator pension rights among public and private agencies and businesses, (2) creation of pools of "public service" jobs for post-secondary educational personnel in "emergency public employment" legislation, (3) expansion of sabbatical leave/faculty renewal programs in faculty contracts and in governmental and private planning, and (4) development of models of appropriate faculty and administrator mix ratios (among "research," "teaching," "adjunct" and "student" faculty members and administrators) for post-secondary institutions with different combinations of purposes.

RECOMMENDATIONS

1. There should be a formula in Title IV to directly tie increases in levels of funding for work related programs to funding for grant and loan programs, since all three should be related to general rises in the cost of education and allocation of those costs among Federal, state and local government, private sources and students and their families.

2. Work-related programs should be looked at *first* in terms of their self-help potential (personal experience, career development, and control over own environment) and *second* in terms of the direct dollars of "earned student aid."

3. Work/study provisions should administratively encourage a higher proportion of "meaningful job experiences" through incentives in (1) percentage of Federal contribution, and (2) administrative separation of eligibility and placement/supervision (particularly for large programs), and (3) administrative cooperation with cooperative education placement and internship placement networks.

4. There should be a "Community Service Worker Bill of Rights" program authorized to allow any person in this country who works for six months or longer with a public or private non-profit community service agency or group at a minimal rate of pay to earn educational benefits based at or near the monthly rate of G.I. Educational Benefits for each month of service. Eligibility for this program should not be based on need, and it should not be looked on as a substitute for Federal or state grant programs which are based on need, and which also have the goal of placing access to post-secondary education within the personal control of many persons who would otherwise not have such options.

5. Federal level Work/study and grant and loan programs should be packaged to allow a student the opportunity to attend school while working no more than 15 hours per week. This recommendation is not meant to encourage students to borrow heavily.

6. Cooperative Education networks should be expanded and used for many work/related placement purposes, including term and summer work/study, and national internship clearinghouse purposes.

7. Subminimum wage rates should not be used in campus work/study programs. There should be an annual report on study wages, including the use of subminimum wage, to be taken from reports from every institution of post-secondary education, with an analysis of the displacement of other workers through the use of

the subminimum wage and work/study job categories. Institutions of post-secondary education should file certifications with the Department of Labor that other workers are not being displaced through the use of the subminimum wage in a manner similar to other employers who wish to use the subminimum wage.

8. There should be a Student Financial Resources Committee established on each campus which has students eligible to participate in any Federal campus-based student financial aid program. A cross-section of students from that institution should be members of that committee, which shall consult and work with financial aid and work placement offices in developing local campus policies under such Federal programs.

9. There should be a coordinated data gathering program to develop information on student jobs classifications and wage rates on campus and in campus-impacted job markets, as well as job possibilities as described in recommendation on use of cooperative education facilities.

STUDENT FINANCIAL ASSISTANCE
(Work Programs)

WEDNESDAY, MAY 8, 1974

House of Representatives,
Special Subcommittee on Education
of the Committee on Education and Labor,
Washington, D.C.

The subcommittee met at 10:07 a.m., pursuant to recess in room 2261, Rayburn House Office Building, Washington, D.C., Hon. James G. O'Hara [presiding].

Present: Representatives O'Hara, Lehman, Quie, and Dellenback.

Staff members present: Jim Harrison, staff director; Al Franklin, counsel; Elnora Teets, clerk; and Robert Andringa, minority staff director.

Mr. O'Hara. The subcommittee will continue today to take testimony on the work component of title IV of the Higher Education Act.

Our opening witness today is Dr. Frank Adams, director of student work and financial assistance of Southern Illinois University.

When we asked around town for the name of the student aid administrator who could be considered as the leading authority on the work-study programs there was only a very brief pause before all of our sources mentioned Dr. Adams. Author of a basic history of student work programs in the United States, Dr. Adams has been asked to give us some historical and operational perspective on the place that work programs have played and are playing in our higher education system nationally and could play as well as the role they play in his own institution.

Dr. Adams is accompanied by Dr. Roland Keene, associate professor of higher education at Southern Illinois.

Dr. Adams, we would be very happy to hear from you and Dr. Keene, to get the benefit of your experience and work with these programs.

STATEMENT OF DR. FRANK ADAMS, DIRECTOR, OFFICE OF STUDENT FINANCIAL AID, SOUTHERN ILLINOIS UNIVERSITY, ACCOMPANIED BY DR. ROLAND KEENE, ASSOCIATE PROFESSOR OF HIGHER EDUCATION

Dr. Adams. Thank you, sir.

Hon. Chairman and members of the House Special Subcommittee on Education. The progress made by the Federal Government in support of higher education in the United States during the past decade has been admirable indeed. Much of the credit for this progress must be accorded to the dedicated work of this subcommittee.

The subcommittee is to be commended especially at this time on two important counts. First, the role of the Federal Government in student financial assistance has matured over the past 10 years, much of the work of Congress in the area of social legislation is coming to fruition, and important progress in this great country can be suggested by the trite phrase: "times have changed."

These matters have been noted by the subcommittee, and it is responding with a serious effort aimed at timely revision of the Federal student financial support programs. Second, in its efforts to accomplish worthwhile and lasting improvements, the subcommittee is seeking advice and input of the professionals in the field of higher education who deal directly with the students in the solution of student financial support problems.

We are glad to be here. We regard it as a privilege to appear before you.

My remarks are directed toward the historical background of student employment in higher education, the official position regarding college work-study taken by the Midwest Association of University Student Employment Directors, and my personal comments regarding the college work-study program. Materials related to my presentation are contained in Exhibits 1 through 4.

I would like to talk just briefly on the history with reading. We can trace the history of work back to Harvard College. The first work program actually originated there shortly after 1636.

It is rather interesting how they funded the first work program. They merely increased the tuition of the more affluent students and with the funds they paid the less affluent student, shall we say.

Also, our colonial private schools developed a philosophy that has existed to the present but it has just, in the last decade, been implemented into reality. The philosophy was, the lack of financial resources should not be a deterrent to higher education.

The next great landmark is a very, very important one indeed and our Federal Government can pat itself on the back because with the Morrill acts of 1862 and 1890, they established the land grant colleges.

These land grant colleges had two very important aspects, not only to the access of higher education, but also they were designed primarily for the lower and middle classes to provide educational opportunity at little or no tuition.

As we all know, many of these original land grant colleges are great universities in the United States.

The State university embodies the concept of free higher education to the greatest extent possible. Such an attitude reflects the commitment of the American people to the principle of democracy, affording equality of opportunity for advanced learning.

Even today, and some may not agree, but it would seem that since our great forefathers had the vision to establish public institutions with little or no tuition that it may well be that the No. 1 gift program in our country is no tuition.

The next major landmark in work history originated at the University of Cincinnati by Dean Herman Schneider. Dean Schneider was very concerned that many of their engineering students who go out into the field and not seem to have had any experience and they had mostly theory.

So he designed what is commonly called the cooperative work-study program, or cooperative education. I will not address myself to this for any length for a very good reason. I have a personal friend who used to be Dean Wooldridge at Northeastern University, who is a national spokesman on this subject.

He may be appearing before this committee, and if he is, I would not want to go into any depth with someone that I have a great deal of respect for and knows more about cooperative education.

I would say on behalf of this group, they have what I consider the most sophisticated type of work experience or work-study program in the country.

Also, they have grown and still are and are making a great contribution to higher education.

The next major landmark was another one that is of national concern. It was called the NYA, the National Youth Administration program, and it existed from 1935 to 1943. It was a beautiful program. At least some of us who are interested in work in education considered this.

The foresight was far above the practice. Its design was to provide work education for the students who needed it. Unfortunately, in its own operation it was not necessarily understood and, unfortunately, by my own profession, who did not necessarily view work at that time as having as much educational value as some of us do now.

As a result, many of the students did not receive the type of work education experience they could have received had it been properly structured and had it been properly administered.

However, of the 600,000 students who participated in this program many of them acquired a college education who probably would not have received it otherwise had it not been for the program.

There is one great piece of research done by Ohio University dealing with literally thousands of students. Their study showed that the working students did as well academically as a nonworking student.

There have been numerous studies made since that time concerning that particular question and by and large, most of them reveal the same type of information, that, with a reasonable amount of work a student will not jeopardize his progress.

The next historical program was not a revolutionary one, it evolved. History has repeated itself in the college work-study program, funded again by the Federal Government. You have the history here so I will not go into great detail on it.

I would want to mention one thing about this program. A few years ago, in 1965, when the Government financial aid people brought together three kinds of programs which we refer to as a tripod; a gift program, a loan program, and a work program.

These programs were designed to provide equal educational opportunity for low-income family youth. My comment here is a personal one. I think it is shared by many in my profession.

Properly funded and administered, no other Federal aid programs are necessary. I will make that as a statement to be recorded. I don't understand the great complexity that we are having with many different kinds of need analyses and many different kinds of programs to solve when there are only three kinds of aid, something to work for, something you borrow and work for later, and a gift.

I had the pleasure on the 26th of April of attending the Midwest Association of University Student Employment Directors. This happens to be an association made up primarily of State universities in the Midwest.

The enrollment for the State universities in this association exceeds 625,000 students. This association has existed since 1962. They went on record and they made a resolution which I am sure, if you have not received a copy, it will be forthcoming.

I want to quote one thing from the resolution. The resolution was unanimous. This group is deeply concerned with our students and the college work-study program. I shall quote:

> The continuance of this program at increased monetary levels can readily be justified on the basis of hundreds of new institutions submitting applications for participations each fiscal year.
>
> Further, we call your attention to the recently increased minimum wage rates which in itself calls for increasing funding just to keep operating at the 1973-74 level.

If my memory is correct, we have not had additional funding in this program for some 3 years, and yet we have added numerous schools during this particular time, and, as I also recall, the amount of money requested by our various different institutions is more than double what has been allocated.

The last quote concerning this resolution is a very important one to me.

> Surely, a nation which proposes to provide $685,000,000 annually in BEOG and SEOG gift aid ought to be willing to invest an equal amount in its productive College Work-Study Program.

I would like to make some personal comments. These are not the association's. It is to be remembered that someone must work to provide funds for all forms of gift aid. Should not the recipient of gift aid also work?

If so, where are the funds to provide the work opportunity? Is it not reasonable that a student who is entitled to gift aid is also entitled to a job?

To be meaningful, should not equal educational opportunity for students in a democracy similarly require equal responsibilities from these same students.

Or, are we going to ignore John Ruskin—John Ruskin was well noted 125 years ago—who said: "It is far better to give work which is above the men than to educate the men to be above the work."

I have fears that this Nation may be attempting to educate some of our people above work. Is not the goal of education the enrichment of the individual and, ultimately, the improvement of society?

If assented to, student work should be an integral part of the educative process, providing avenues for maturation and self-sufficiency, requisites for the truly well-educated citizen.

I would like to make a comment about a little school I dearly love. It is not a large State university. It is a little school that has existed down in Kentucky for longer than I can remember. It serves the Appalachian area. It is called Berea College, where everybody works in Berea.

I only want to quote their philosophy, which I support with enthusiasm: "One does not come to Berea College to get away from work but rather to learn to work and live on a higher level."

I challenge any school in the country to improve on that philosophy.

My next comments are specifically about the college work study and though I have a number here, I have mentioned the funding, I will not comment at this time because they have to do with my colleagues and the way they administer programs and they are not here to defend themselves, so I shall ignore that although I have placed it in here.

I feel a little guilty about appearing before a committee when I haven't got some of the people I want to argue with. I will argue with them in our own conference.

If you will excuse me I will turn to a problem that I consider more universal, and that is the problem of need analysis, which happens to have taken over the country with a storm and I personally do not appreciate it entirely. These are my personal views.

Philosophically, I reject a family need financial analysis as a basis for determining the eligibility of college students for employment, whether an on campus or off campus job. The following are some of the reasons clarifying my position:

I know of no business nor industry which requires an applicant for employment to furnish a financial-need documentation as a criterion for employment compensation. It appears that employers are interested in employees' performances, be the job professional, skilled, unskilled, services, or an entry type. Why not provide the same indices for students?

Work experience by its very nature is an educational program. By the use of a computer, our Federal Government is supporting equal educational opportunities for students from low-income families, meanwhile denying equal educational opportunities in the form of work education for students from middle-income families. Perhaps the Government should say, "Opportunity, yes. Equal opportunity, no."

Since work has undeniable educational value, it does not behoove an institution of higher learning to use a financial-need analysis to determine the individual who should benefit from working conditions which constitute an enriched educational experience. To provide work experience education for solely the financially needy while denying such experience to the less financially needy constitutes discrimination, and in, of all places, an institution of higher learning.

It is most interesting that the new guidelines for the Illinois guaranteed loan program state, "Effective with loans guaranteed by this agency, beginning in June 1974, students whose adjusted family incomes are less than $15,000 and who are applying for $2,000 or less during an academic year are automatically eligible for Federal interest benefits and no needs test is required.

Now, we have an additional conflict. There is no need analysis required for a loan, but there is for a job. I find that a little hard to reconcile.

I now go with my recommendations.

That the Federal Government supports its equal educational opportunity goal with an equal employment opportunity goal. Such an objective setting means that students are truly adults and should receive a fair share of employment opportunities, regardless of financial need.

What better method of teaching responsibility, cooperation, dependability, honesty, and self-sufficiency than through work? Are not our working students an asset to society?

There are over 4 million of them working. Are they not enrolled in institutions of higher learning to prepare themselves for vacations or careers?

Both Federal and State Governments should remove from their respective student employment guidelines a statement to the effect that students cannot replace full-time employees. Society has bestowed to 18-year-old youths the status of adulthood, and, in so doing, should anticipate a concomitant demonstration of adult responsibilities from youth.

However, society cannot expect from its youth the manifestation of adult responsibilities unless youth has adult opportunities available. As long as State and Federal Governments, institutions, faculties, and staffs consider institutional priority as designed solely for faculty and staff, just so long will students remain essentially second-class citizens, regardless of laws to the contrary.

Institutions, government, business, and industry should make a dedicated effort to support work experience programs on campus and off campus. Particular consideration should be granted to cooperative education and innovative programs of academic credit for career-related work experience for our youth.

Furthermore, the Federal funds should support on-campus and off-campus work experience programs, disregarding the actual financial need of students.

I say that and know there are those who can argue and debate, but I strongly feel that everyone needs to work. The need is already there. You need it for your livelihood, for your self-respect or character. This is one reason I take that position.

Federal funds should be awarded to institutions on a percentage basis, in keeping with the financial efforts of a specific institution of higher learning, with a focus upon the support, development, and expansion of student work programs.

Institutions not willing to allocate their money to provide jobs for students should hardly expect the Federal Government to provide work-study funding. A deliberated delegation of moneys would provide each institution with a freedom to develop work-study programs, consonant with its philosophy and mission of higher educational concerns.

In conclusion, may I add, too frequently, critics of the old-fashioned work ethic often exist on the fruits of the labors of those who endorse and practice the work ethic.

My last comment is a little story to add some humor. I asked a student of mine, who is a bright lad, why are you working. I rather hoped that being around me for several years some of this philosophy would rub off. Without any hesitation he said, "Because my father is tired of working my way through school."

Thank you, and I turn this over to Dr. Keene.

Mr. O'HARA. Thank you, Dr. Keene.

Dr. **Keene**. We realize that our colleagues in this Nation perceive us as specialists in student work programs. The fact is that we are interested in the entire field of student financial support.

It is very difficult to consider student employment apart from other forms of financial assistance. The chief purpose of my remarks, therefore, will be to place student employment in the context of the total student financial support picture.

It will be necessary for me to deal positively with other forms of student aid. Many of my remarks are based upon material in a new book on this subject, about one-third of which deals with student employment, and which we anticipate will be off the press in the near future.

Vernon A. Sternberg, director of the Southern Illinois University Press, has graciously made part of the manuscript of this book available to you in advance of publication, subject, of course, to copyright restrictions.

This part is included in appendix B as exhibit No. 4. Exhibit 4 is the summary chapter of the book, written by authors from Massachusetts to California, ranging from presidents of institutions to financial aid counselors and a table of contents.

It should provide a broad background for this total presentation and furnish the subcommittee with an indication of what is going on out there in the United States regarding student financial support in higher education, and especially show the relation between work and other forms of financial support for students.

The provisions of this presentation, amplified in somewhat greater detail in exhibit 4, are enumerated in the following paragraphs.

1. We believe that all student financial support programs in higher education, even gift aid programs, should provide a realistic educational experience as well as create the opportunity for all citizens to receive post-secondary education.

We believe that post-secondary students, having attained the age of majority, are full-fledged citizens of the United States, but that they are feeling boxed in by certain Federal programs and procedures that insist they remain in a second class status that is less than full adult citizenship.

We further believe that the independent student, far from being a problem, is the foundation of the strength of this Nation and should be the goal of student financial support programs and of education itself.

2. Conditions that are less than perfect and that call for revision, elimination, or other attention are listed as follows:

(*a*) As far as certain of the Federal programs of student financial assistance are concerned, the institutions and the financial aid officers are losing out. This has come about through national administration of certain programs direct to the student, through lack of authority at the local level, through conflicting guidelines and similar circumstances.

This would be of no consequence were it not that it bypasses and eliminates from the process of aiding students the only element that can deal on a professional basis directly with the students and assures that a reasonable degree of effectiveness results from the expenditure of the money, effectiveness that directly benefits the students.

(*b*) Federal guidelines are sometimes conflicting and mitigate to discriminate in some cases against the student from middle class families and in others against the student from low-income families.

These dysfunctions far outweigh any possibility for disadvantages that can be imagined if the programs were directly administered by professionals who have traditionally recognized their obligations to donors and the sources of the funds.

(*c*) The Federal programs are often postulated upon an in loco parentis stance that inhibits the development of maturity and responsibility in the students. Indeed some of the programs tend to teach the people to expect unearned gifts. Such paternalism saps the very energy and initiative of the people at the grass roots.

(*d*) Need analyses are misused. There is a legal question whether need-based programs for adult citizens can be based upon the financial status of other adult citizens, namely the parents.

Need analyses used for this purpose are a serious invasion of privacy and serve in many cases to debase the parents in the eyes of the students, proving beyond doubt that the parents achieved a sufficient lack of success to make the students eligible for the programs.

(*e*) Most importantly, students are losing out. Care should be taken that programs are revised in such a way that students learn from them: responsibility, self-respect, and the strength and confidence of self-sufficiency rather than a debilitating dependency.

3. Our recommendations to the subcommittee as it considers an overhaul of the Federal student support programs are listed below.

(*a*) De-emphasize gift aid programs and emphasize self-help programs. The adult citizen should not expect more subsidy for post-secondary education than he received through free, public elementary and secondary education, namely, the institutional costs.

Thus, all gift aid programs, both in amount and in use, should be limited to tuitions and fees—institutional costs. This will provide an opportunity for the student to assume responsibility through self-help programs for his personal expenses—paid for during elementary and secondary education by the parents.

(*b*) The basic grants program (BEOG) and other gift aid programs should be revised for administration through the institutions. Under present circumstances, these programs are little more than doles that teach only negative expectations.

Only through the efforts of professionals can recipients be taught their obligations for the gift. Only through professionals at the local level can orderly and consistent feedback regarding student success be provided both to the student and to the donor.

(*c*) The NDSL should become an institution-based loan program with present collections placed in a revolving fund. Arrangements to supplement this fund through long-term, institutional loans from governmental sources could be provided. A healthier situation would ensue with the student responsible to the institution, and the institution responsible to the government.

(*d*) The college work-study program should be expanded with due attention given to funding for more students as additional institutions participate, and funding at a higher level as minimum wage levels are raised.

(*e*) Work programs of all kinds should be encouraged—cooperative education, work for college credit, on-campus and off-campus part-time programs, full-time summer employment, et cetera—with active participation of institutions, business, industry, and Government.

(*f*) Attention should be given to revision of program guidelines to remove conflicts and dysfunctions. Specifically, the CWS program should not limit the amount of work a student can do; guidelines should not specify that part-time student workers cannot replace full-time workers; and the need analysis should not be eliminated for loans and retained for student employment.

(*g*) Finally, the Government should reject as national policy all aspects of paternalism and the in loco parentis principle. Need analyses should be revised for institutional use for the independent student who is, after all, an adult citizen of these United States.

I thank you very much, gentlemen.

Mr. O'HARA. Thank you very much, gentlemen.

I would like to take up first the suggestion made by both of you that we ought to remove from the requirements for the college work-study program that provision which prevents the use of college work-study funds to employ students in place of full-time employees of the institution.

Dr. KEENE. My reaction to this is not that some kind of effort would be mounted to fire people or terminate them in order to place students in jobs. This isn't the point. The point is if this full-time position becomes vacant, under our regulations we cannot put students in there, say, two students to fill a full-time, or four.

But this ought to be possible. That isn't replacing this full-time person with students simply because a student is not a student in the traditional sense of being a minor or something of that kind.

He is a citizen entitled to the same as anyone else is.

Mr. O'HARA. But not with Federal money. I think that is the point. In other words, there is nothing in the regulations that say to your institution that if the night watchman in one of your buildings retires that you can't replace him with a student.

But the point is, you can't use the Federal money to replace heads of families.

Dr. KEENE. Frank may have a different point of view.

Dr. ADAMS. One of the reasons, and I have taken issue sometimes—I have specifically had to go to the State of Illinois and their civil service system, which happens to have the similar requirement of the Federal Government.

I am on a committee that spent several days on that a year ago. I was arguing with one of our union officials. You see, the regulations make it very easy for the institution to eliminate student help and right now, when budgets are cut, who do you think is the first group to be cut? It is the students. It happens even in our institution, as student oriented as we are.

My argument was a little different than here. My argument was, if you are going to have positions for students and positions for faculty and staff, then it behooves me to say that you cannot eliminate our student positions and put full-time people in there.

It was all right to go the one way. After all, the institutions do exist for students. It is not that we are going to take over all the teaching.

It is the matter that there should be a manpower program for students, that they are entitled to certain amounts of the work and some of this work can be done by students, rather than full time.

And what is holding back some of the expansion of student work opportunities? It is the locked-in system that these positions have always traditionally been civil service or been staff and when someone in that group happens to retire or move on they must be filled.

As a result, many of our institutions have not, in the last decade, expanded their student work opportunities. They are locked into a system where they can't grow, unless by population, or unless you put a student out here, particularly in a service job or career jobs.

We are locked into where we cannot give them these opportunities. As I say, it is not a matter that the argument here is to eliminate full-time people. You need all of them, but you need a unison here in working together.

I hate to see our students' positions eliminated as institutional funds are cut back and Federal funds and that is exactly what is happening. We are the first to go. Our students are the first to go. Then we cry about enrollment.

Mr. O'Hara. I certainly think we ought to expand the number of opportunities. I agree completely that eligibility for college work-study jobs should not be based on family income in the same way that it is now. Perhaps there ought to be different standards as we have recently determined in connection with loan eligibility.

We have decided that there ought to be different standards of eligibility for a loan than there is for a grant. Perhaps there ought to be a different standard of eligibility for a job than there is for a grant. It doesn't make much sense to apply the same standards to all three because they are three different kinds of things.

I think although you take the position that no needs test should be applied to the applicant for a student job you would I imagine, support the continuation of a needs test for an applicant for a grant.

Obviously grants will go only to those who are able to demonstrate need.

Dr. Adams. May I add a postscript to that? The reason I take that stand is I feel the institution itself should make every effort to help any and all of its students. It is competitive out here. Institutions should have the resources, the clientele and this is to serve that clientele they will make maximum use of Federal institutional money to provide these jobs.

As I said earlier, I didn't want to pick on some of my colleagues but I am real upset when someone burdens a student with loans when there are jobs that could be done and the poor kid graduates $4,000 or $5,000 in debt when he could have worked for $2,000 or $3,000 of that.

This is not the Government's fault. That is the fault of the institutions and our own emerging profession.

Mr. O'Hara. I think we can share part of the blame.

Dr. Adams. Too often the student receives a grant and a loan and $200 for work. He works 1 month and he is dropped. The employer says: "Don't send me one of those, I have got a job that lasts all year." It is rather distressing.

The student misses out on both his learning from the standpoint of work education, and he misses out on some money. But he is going to have to pay a lot back later on.

Mr. O'Hara. Both of you gentleman indicate that you think the work employment ought to be the principal component. It is a tripod but the strongest leg of the tripod is the work component and that ought to be first.

Dr. Adams. The first in our institution anyway.

Mr. O'Hara. I notice here from your brochure from Southern Illinois University that you have about 3,000 students working each semester in one of over 200 student work classifications.

In addition, you have possibly 2,000 students employed in off-campus jobs within a 30-mile radius of Carbondale. Let's talk about the off-campus work a minute. Are those off-campus jobs that you people have located for students or are those jobs students may have located for themselves, or are they both?

Dr. Adams. They are both, but I would say the majority of these jobs the students locate themselves. We are limited in our own personnel to help them. Many of them commute to school and they work in Krogers or someplace while they are in high school and they continue.

So, in our off campus we do some co-op work and summer employment within the limitations we have on the staff. But the majority of off-campus jobs during the academic year the student actually obtains, which I am rather proud of them for doing. They get it on their own.

Mr. O'Hara. What is the size of your student body?

Dr. Adams. Between 19,000 and 20,000. It was 24,000 3 years ago but it has dropped down like many. We are 19,000 plus this last fall.

Mr. O'Hara. Can you find a job for everyone that comes to your office looking for one?

Dr. Adams. We don't miss it very far. If they really want to work, we are going to get on the phone, either off campus or on campus, if they will give us a little time. One of the things, though, that happens to hurt both the students and the jobs; you may have a job in the morning, or a number of them, and the student has classes in the morning.

This is one of the problems in administering a program. That discourages some because you are trying to match different times when the student is not in class. Institutions that want to develop their work programs need what I call a long schoolday, maybe a schoolweek.

In other words, if classes exist from 8 in the morning until 9 at night, then you can have blocks of time for work and lots of time for study. We pretty well take care of them.

Let me add this. When I talk about need analysis, we require need analysis because we have to find the ones that are work-study. We do refer students. We take care of that group.

One can be from a family income of $50,000, and if they are going into chemistry and if they have the qualifications, we are going to help them get the job. We take care, if at all possible, from the lowest need to the highest, if someone wants to work.

Mr. O'Hara. What kind of cooperation do you get from the university? Do working students get any kind of preference in determining class schedules, any special consideration?

Dr. Adams. We have in the past when we sent them over with a block of time, it would be honored to some extent. When you hit the upper class levels, there are on-section classes, and the class schedule has to hold priority. We have very good cooperation.

Unless the student has a 3-hour block, it is pretty difficult to defend the efficiency of a student working 1 hour in the morning and 1 hour in the afternoon. This hurts programs rather than develop them. You need at least 3 hours a day.

The student has to know when he is going to work and what he is going to do so he can budget his time for the academic.

Mr. O'Hara. What I am trying to figure out is whether you have any arrangement whereby your students, the ones that are working, can get some special consideration in scheduling.

Dr. Adams. We have advance registration that extends over several months, and our students go there with their time blocks to register, and they go right in there and say, "I need to be free from 9 to 12 to work." And they schedule the classes.

There is another group that may be working in the afternoon.

Mr. O'Hara. And the nonworker may want the same 10 o'clock class that your worker wants because it fits in with his schedule best. If there is only one place left, the kid with the job gets it; is that it?

Dr. Adams. I couldn't really answer that because they open other sections. If we had that kind of enrollment, I would appreciate it. They can open another section of a class. We haven't had that problem to a great extent with this advance registration. It hasn't been brought to my attention anyway.

Mr. O'Hara. So you think advance registration takes care of a lot of those problems and permits the institution to change some of the sections to see what is happening?

Dr. Adams. Again, institutions are unique. Traditionally, we have had a large work force, so our student workers, or the departments that work with them in registration, know these students need 3 or 4 hours to work, and it still balances out because he works some in the morning and some in the afternoon or evenings.

It isn't always easy. In many institutions, as I said before, administering a program like this is a bit difficult. You have to want to work at it, and think it is worth while. It is much easier to just hire full-time people and forget it.

Mr. O'Hara. You testified that we ought to increase the funds available under college work-study. In fact, I think you suggested a possible magnitude of tripling those funds.

Dr. Adams. What I read was that the Midwest Association of Student Employment Directors, in their resolution, asked for the amount of work aid equal to the gift aid. I also testified to the fact that the applications requesting funds for work-study—and I don't recall the exact figure—but it well over $500 million. That was even last year.

The amount of funding has not been any more than someplace between 40 and 50 percent of the request basically.

Mr. O'Hara. Let's take your institution. What if we doubled the work-study funds going to your institution. What is your capability? What can you do?

Dr. Adams. If you double the funds, I will show you what you can do. We have already asked for another $1 million from the State, so if you double the funds which we had last year, $480,000 to start with, we could use it. We have got the positions and we have got the students.

I wouldn't ask for it if we couldn't use it. Let me give you a precise figure. Last year we spent $4,127,000 on self-help. That includes over $2 million of State funds, and at that time, about $700,000 in Federal and the rest was made up through auxiliary and service enterprise operations.

A year ago we lost $200,000 from our State budget, and we lost $200,000 from the Federal budget, so naturally we were pushing it very hard off campus. We lost in 2 years about 700 or 800 student positions because of funding.

Our financial aid officers in the State of Illinois organized and have gone to one of the senators, and there is a bill before our Senate in Illinois right now asking for $5,900,000 for increasing the student employment opportunities in our own State universities.

I don't think it will go through, but we are trying. The point is, I defended that on the basis of $1 million additional we could use. We have the students. We have the positions. We have 200 diflierent jobs for students. We could use the money.

Not only that, but we have never gone off campus to any great extent for a very simple reason. We are in a rural area. The university is a major employer in that whole southern 31 counties. That is where the jobs are.

If we had additional money, we have a small program with our forest service. We could have them with our hospitals and playgrounds. We could use more money there for summer, especially for off campus.

I am not against it by any means, but prioritywise, we want to take care of the students on campus first. But we could use more money off campus, too.

Mr. O'Hara. Tell me about your student assistance office. How many people do you have in the office, full time or part time? What kind of an operation do you have?

Dr. Adams. We take student work and financial assistance, and we do all the payroll for students, too. We have our department divided into three divisions: State and institutional programs, Federal programs, and student work programs.

We have 23 full-time counselors, or employees. We have four graduate assistants who are in the college personnel who are training to become financial aid officers. We provide them an opportunity to rotate in each one of these divisions each 3 months so that they learn.

We offer two courses in financial aid. Dr. Keene has one course now and we will have a workshow this summer. That is part of our goal, to upgrade the profession by using graduate interns to learn on the job.

We have 40 to 50 student workers at any given time in this program. I am sure that some would probably envy us seeing we have this many people. We are trying to do some things that some people aren't doing which we think is worthwhile.

This includes the teaching of a class. It includes administering our programs. It includes the direction we will be going in next year with some college credit for career work for undergraduates.

This doesn't just come about. It took more than 2 years to get that in our school. I would say our staff, if you want to know the kind of staff, we have three doctoral people, Dr. Keene one-quarter time, Dr. DeJarnett, the assistant director and myself. All of us teach as well as administer the program.

Half our staff are masters degree counselors and the other half are civil service, what we call advisers, and if they want they can work up to a masters degree and become a counselor. That is the staff.

Dr. Keene. A large on-campus program also needs a lot more attention perhaps than an off-campus program in the sense that the off-campus is the more realistic educational employment experience.

The on-campus needs to be made that way. You need to work a lot with supervisors.

Mr. O'Hara. I was going to ask that. What kind of supervision do you provide for these CWS jobs on campus? I have heard some complaints that in some cases at least, inadequate supervision is provided by the institution and the student is not being made use of in a good way. What sort of a check do you have on that?

Dr. Adams. I would have to be honest and say your program is no better than your supervision. If you have a gold bricking supervisor you probably are going to have some gold bricking students.

We are training students for program supervisors. We go around and visit the operations. We can't be there all the time. They have a certain amount of money and it is not as much as they would like to have.

We do have the authority to make recommendations on budgets. I think we have good supervisors in general, but as far as your point is concerned, I heard that many times also.

But if you do not have too much funding and you have work that has to be done that is allocated to students it behooves you to get out and get it done, but you can't do it unless you have these time blocks.

You find that part of that a legitimate criticism. Some students, as I say, can only come in for an hour in the morning and an hour in the afternoon. What is the use of taking a secretary's time or a supervisor's time to explain the work. It is not easy.

That is the reason some of them do not like to get involved in it. It is a lot of work to actually administer the programs structured toward the educational goal and towards the need of the student also.

It is a tremendous undertaking. You have to have the staff. We have no less than six in the employment division alone working in here. Again, you have to have the staff to do it. You have to counsel these students.

Mr. O'Hara. What [illegible] the source of your budget in relative amounts?

Dr. Adams. $200,000 of our budget is State money.

Mr. O'Hara. Your office budget, the budget you use to pay the people in your office?

Dr. Adams. That is right.

Mr. O'Hara. How much comes from Uncle Sam?

Dr. Adams. Three percent of our programs. On the national direct loan the collection of that goes to the bursar's office. We get for our group 3 percent of the college work-study and 3 percent of the Federal grant.

Mr. O'Hara. Do you have some notion of about how many Federal dollars go into your payroll as compared to non-Federal, your office payroll?

Dr. Adams. About close to 10 percent, I would say 15 at most. Normally we have about 20 or $25,000 a year coming from our 3 percent of the working grant. This is where we hire mostly graduate assistants.

Mr. O'Hara. That is the difference now. I have talked to a lot of student assistance officers and evidently quite a few institutions have the notion that the student assistance office should be entirely supported by whatever it gets out of the Administrator's part of the Federal programs.

Dr. Adams. No.

Mr. O'Hara. But quite a few of them aren't willing to spend any of their own money on the student assistance office. They may come to us and say, "You have given us all this work and we are not doing it adequately and we have got a 3-month backlog, and so forth, so give us more money."

I say, "Why don't you get more money from the institution? I thought, in an era of a declining enrollment that your institution was interested in having more students. I should think you would be willing to invest a little money in the student assistance office."

They say maybe they ought to be willing to, but they aren't.

Dr. Adams. You are correct and I have heard complaints from my colleagues. That 3 percent doesn't ever get to the financial aid office. It is locked down at the top levels in administration because they have got some things they want and they say, "Look, we are putting enough money in it to run things, try to get some more aid in." So we go in this vicious circle.

We have been very fortunate in our institution that since the beginning—I happen to have been one of the original consultants on this program when it started—the 3-percent idea was to expand professional people.

When I made the study in about 1966, I was amazed to find the number of schools that had maybe one person that knew something, but two or three that knew very little. Hopefully, the institution would never put any less but add the Federal in to build up the program.

Unfortunately, many institutions didn't decide to do that. I think it is wrong. I say we are fortunate because I would not have four graduate assistants were it not for the Federal program, and I am hanging on to that for dear life.

As institutional money is cut back I am sure they are going to look at these things. But you are right 100 percent. The whole idea of that 3 percent was to help the programs and not take care of it altogether. It is not enough to run a good program.

I couldn't run a good program on $25,000. The fact is, they couldn't pay me. But, it does help you to add what you need to have a good program. It is the upgrading of the whole emerging profession in higher education that we are in today.

Again I say, if an institution is not willing to put its dollars in self-help how can they expect the Federal Government to?

Mr. O'Hara. I think one of the things we ought to be doing in terms of all of these aid programs that are institutionally based is thinking about what we are going to require the institution to do if it wants to use these funds. They are going to have to put adequate personnel to work and operate the program sufficiently or they don't get the money. That is the kind of approach I am taking.

Dr. **Adams**. I will drink to that.

Mr. O'**Hara**. One other thing. This business of the State programs—Tell me how the Illinois State program works? Do you get money for work-study?

Dr. **Adams**. What happens in State universities is we get from our State government what we call personal services money. "Personal services money" employs a staff of faculty and what we call staff administrators and students.

In the college work-study program there is a kicker that we put in there a few years back when we helped to set up the original guidelines, some of which are obsolete. But one of those kickers happens to have been that you cannot drop your institutional funds below a level of maintenance.

That was to help make sure the institutions would do what they were supposed to do. Many of the new schools coming in didn't have a level of maintenance. I hate to be critical, but some of them start out relying mostly on Federal money.

We were spending in 1964, $2 million of our own money. So, back to your question, most of our money comes directly from the State of Illinois as a tax supported institution, about $2 million of it in our case.

Dr. **Keene**. The money from the State depends upon institutional practice, philosophy, and mission and it is a kind of internal institutional allocation in the internal budget.

Mr. O'**Hara**. It comes to the institution on sort of an ad hoc basis, the same as the support for their other programs comes. The State legislature, the State board of education, or whoever it is, presents a higher education budget to the State legislature and in it is included items for everything.

But I was wondering if there was some State program comparable to the college work-study program at the Federal level.

Dr. **Keene**. As far as I know there is none at the present time in the United States, unless perhaps Iowa has one. But, in the hopper in the general assembly in Illinois is a bill for a special State supported work-study program which would be in addition to anything that is now in effect.

You would have to maintain your present program levels in order to qualify.

[Subsequently the following text of a Washington State statute, enacted May 5, 1974, was received:]

IN THE LEGISLATURE OF THE STATE OF WASHINGTON

CERTIFICATION OF ENROLLED ENACTMENT

SENATE BILL NO. 3202

Chapter 177, Laws of 1974, 1st Extraordinary Session, (43rd Leg., 3rd Ex. Sess.)

Effective Date: July 24, 1974

ENGROSSED SENATE BILL NO. 3202 AS AMENDED BY THE HOUSE

State of Washington, 43rd Legislature, 3rd Extraordinary Session,
By Senators Marsh, Metcalf, Sandison, Keefe, Atwood and Lewis (Harry) (By Council on Higher Education Request).

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Read first time January 21, 1974, and referred to Committee of Higher Education.

An Act relating to higher education; creating the college work-study program; adding new sections to chapter 223, Laws of 1969 ex. sess. and to Title 28B RCW as a new chapter thereof; creating new sections; and making an appropriation.

Be it enacted by the Legislature of the State of Washington:

***New Section.* Section 1. There is hereby created a program of financial aid to students pursuing a post-secondary education which shall be known as the college work-study program.**

***New section.* Sec. 2. The purpose of the program created in section 1 of this act is to provide financial assistance to needy students [who are U.S. citizens] attending eligible post-secondary institutions in the state of Washington by stimulating and promoting their employment, thereby enabling them to pursue courses of study at such institutions. An additional purpose of this program shall be to provide such needy students, wherever possible, with employment related to their academic pursuits.**

***New section.* Sec. 3. As used in thischapter, the following words and terms shall have the following meanings, unless the context shall clearly indicate another or different meaning or intent:**

(1) The term "needy student" shall mean a student enrolled or accepted for enrollment at a post-secondary institution who, according to a system of need analysis approved by the commission on higher education, demonstrates a financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter.

(2) The term "eligible institution" shall mean any post-secondary institution in this state accredited by the Northwest Association of Secondary and Higher Schools or any public vocational-technical school in the state.

***New section.* Sec. 4. The commission on higher education shall develop and administer the college work-study program and shall be authorized to enter into agreement with employers and eligible institutions for the operaion of the program. These agreements shall include such provisions as the commission on higher education may deem necessary or appropriate to carry out the purposes of this chapter.**

The share from funds disbursed under the college work-study program of the compensation of students employed under such program in accordance with such agreements shall not exceed eighty percent of the total such compensation paid such students.

***New section.* Sec. 5. The commission on higher education shall disburse college work-study funds after consideration of recommendations of a panel convened by the commission on higher education, and composed of representatives of eligible institutions and post-secondary education advisory and governing bodies. Said commission shall establish criteria for the panel designed to achieve such distribution of assistance under this chapter among students attending eligible institutions as will most effectively carry out the purposes of this chapter.**

***New section.* Sec. 6. The commission on higher education shall adopt rules and regulations as may be necessary or appropriate for effecting the provisions of this chapter, and not in conflict with this chapter, in accordance with the provisions of chapter 28B.19 RCW, the state higher education administrative procedure act. Such rules and regulations shall be promulgated upon consideration of advice from a panel composed of representatives of institutional financial aid officers, a representative of employee organizations having membership in the classified service of the state's institutions of higher education, and will include provisions designed to make employment under such work-study program reasonably available, to the extent of available funds, to all eligible students in eligible post-secondary institutions in need thereof. Such rules and regulations shall include:**

(1) Providing work under the college work-study program which will not result in the displacement of employed workers or impair existing contracts for services.

(2) Furnishing work only to a student who:

(*a*) Is capable, in the opinion of the eligible institution, of maintaining good standing in such course of study while employed under the program covered by the agreement; and

(*b*) Has been accepted for enrollment as at least a half-time student at the eligible institution or, in the case of a student already enrolled in and attending the eligible institution, is in good standing and in at least half-time attendance there either as an undergraduate, graduate or professional student; and

(*c*) Is not pursuing a degree in theology.

(3) Placing priority on the securing of work opportunities for students who are residents of the state of Washington as defined in RCW 28B.15.011 through 28B.15.014.

(4) Provisions to assure that in the state institutions of higher education utilization of this student work study program:

(*a*) Shall only supplement and not supplant classified positions under jurisdiction of 28B.16 RCW;

(*b*) That all positions established which are comparable shall be identified to a job classification under the Higher Education Personnel Board's classification plan and shall receive equal compensation;

(*c*) Shall not take place in any manner that would replace classified positions reduced due to lack of funds or work; and

(*d*) That work study positions shall only be established at entry level positions of the classified service.

New section. Sec. 7. Each eligible institution shall submit to the commission on higher education an annual report in accordance with such requirements as are promulgated by the commission.

New section. Sec. 8. There is hereby appropriated from the general fund to the commission on higher education the sum of seven hundred fifty thousand dollars, or so much thereof as may be necessary, for the biennium ending June 30, 1975, to carry out the provisions of sections 1 through 7 of this act. Of this amount, not more than fifty thousand dollars may be used by the commission as administrative costs in carrying out the purposes of sections 1 through 7 of this act.

New section. Sec. 9. Sections 1 through 7 of this act are added to chapter 223, Laws of 1969 ex. sess. and to Title 28B RCW as a new chapter thereof.

New section. Sec. 10. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

Passed the Senate April 22, 1974.

JOHN A. CHERBERG,
President of the Senate.

Passed the House April 20, 1974.

SAMUEL A. SAWYER,
Speaker of the House.

Approved May 5, 1974, with the exception of an item in Section 2, which is vetoed.[1]

DANIEL J. EVANS,
Governor of the State of Washington.

Dr. ADAMS. We made a study in the State of Illinois 3 years ago about the need of a State work program and we tied it into our Illinois scholarship and grant program, which is one of the largest in the country.

It did not materialize but Iowa has the material on it and there is a copy of it there. They are trying to go in that direction with a State-supported program. The reason we wanted it in Illinois was not entirely for the institution but primarily because if it would come from the general assembly as personal services money we have a little assurance that that money will be used for students.

I am sorry, if our president was here I would still have to say that because you have got to take care of your teaching and what we wanted was something separate, something similar to the college work-study, which would come to the financial aid offices to increase the jobs, especially in the middle class group because we felt we could take care of our lower income with the Federal.

Now with middle-class group we have a separate program. We can generate our career jobs and move in that direction.

Dr. KEENE. It may not pass.

Dr. ADAMS. But we are trying.

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[1] Vetoed language shown in brackets.

Mr. O'HARA. You have made some rather sweeping kind of statements. They sound good to my ears. You say that every student who wants an opportunity to work to help pay his expenses while he is in school ought to have that opportunity.

Dr. ADAMS. That is right.

Mr. O'HARA. And you say this ought to be the basic part of the total student aid package. Right now you have got 3,000 on campus and 3,000 off campus. Most of the 3,000 off-campus kids have found their own jobs.

Let us suppose we were to implement that. Let us suppose we were to say we agree and we are going to make you the laboratory of this thing and we are going to give you enough money to carry out that notion that every student who wants a job to help his expenses ought to be able to have one.

I got a feeling you would have an awful time making good on that commitment providing real jobs. Where would you find them in Carbondale, Ill.?

Dr. ADAMS. We had 4,000 students working in student positions 3 years ago where we have three now. I want those thousand back. I don't want to swear that I will get them back if I get the money because if we get those jobs back we are going to stop this downtrend for one thing, because these students will work.

There is another reason. Just before they changed the guaranteed loans to need analysis we were one of the largest loan areas in the State, about 4,000 of our students would borrow money.

Maybe Dr. Keene is better on the sociology of it than I am but the clientele for our institution is primarily the lower middle and lower class, the whole area there.

Mr. O'HARA. There aren't many rich people in southern Illinois.

Dr. ADAMS. No; there never has been. The northern part of the State has. Anyway, it is the No. 1 employer, not only for students but full-time people. I will accept that challenge. You put the money there.

If we do no have the jobs you can take it back.

Mr. O'HARA. That is going to be the opposition. I am sort of with you and I would like to see us make a big expansion in these work programs. But I am concerned people are going to say everytime we talk about helping someone with jobs, there is a certain group around here that says "leaf raking."

I don't know what is wrong with raking leaves but evidently a lot of people think raking leaves is something that shouldn't be done and they start talking about "make work," and all this sort of thing.

So, you see, if I come out with some kind of proposal that says let's run a vast expansion of this through, there are going to be some of these nay-sayers around here who are going to shoot it down on those grounds.

I need some solid evidence that not only would this make sense but it can be done with real jobs. How do I get that?

Dr. ADAMS. If you want more information, I will send it, but I have invented a need for the last several. Some of these students that are borrowing $3 and $4 thousand a year, I am sure, will work if they have the opportunity.

We have not expanded our off-campus in the work-study as we could.

Mr. O'Hara. That is what I think. If you really went out, if you had on your staff a half dozen or dozen people whose sole job it was to scour the hills around Carbondale and find jobs here, there, and yon for students and really worked that, I bet you could find a lot of jobs.

Dr. Adams. We are now.

Dr. Keene. With proper employer education, you can get them to employ these people on a long-range planning basis. This is the essential kind of thing. You can do the same thing off campus you can do on.

And then with our faculty having authorized credit for career-related experiences, this can be developed both on and off campus.

Mr. O'Hara. I yield to the gentleman from Florida.

Mr. Lehman. Thank you, Mr. Chairman.

It seems to me where you are going to get more help is to start looking at the private sector. As far as I can understand this regulation, you are not going to get Federal assistance except in nonprofit and governmental institutions.

After all, profit is not a dirty word. We did have job assistance under the GI bill of rights for on-the-job training. To me, if you really want to expand this program, we are going to have to bring this program beyond the nonprofit public sector.

I am not so sure isolating all these work-study programs into nonprofit institutions is really fair to the person being trained. I think we ought to be able to train some of them in profit-oriented, profit-motivated types of organizations.

Dr. Keene. This is where you find the realistic experience.

Dr. Adams. We take no issue with your point.

Mr. Lehman. I would like to see this legislation readjusted to permit private enterprise and private industry and commerce to be involved in a work-study program.

But for the sake of the student, for the sake of the industry in your area, and every other respect, if they can do it at the high school level, there is not any reason we cannot do it in this kind of relationship.

I also want to commend the gentleman in relation to academic credit for some of these work-study programs because I think this is a great step forward and we should continue to work in that direction.

Dr. Adams. When you decided to provide funds to proprietary schools for the students, aren't you funding a profitmaking organization right there?

Mr. Lehman. You are not arguing with me; you are arguing for me.

Dr. Adams. I said I was going to lend you some support on that. Where I agree with you philosophically is this: If you support that work has educational value, and if you go so far to take the student—I will defend the leaf-raking job, particularly for a kid in the sixth, seventh grade. I will defend any kind of work as having dignity over just taking something for nothing, because when you give something away entirely, you haven't got anything necessarily to accomplish as far as work is concerned.

But I will not support the person in the work-study educational program raking leaves for 4 years. That is different.

Mr. LEHMAN. I agree with you because one of the things I mentioned in a previous hearing that I run into with younger people as to their primary concern is what they say is meaningful job opportunity, not leaf-raking jobs.

They want some kind of a job opportunity that has reality to it. I think that maybe we should support the private sector at the same level that we support the public sector. I think it is high time we moved this work-study program into the private sector to give a spectrum of opportunity to students far beyond the public or nonprofit orientation.

Mr. O'HARA. The gentleman from Florida has been very faithful in his attendance at these hearings. He ought to make it a particular point to come to our hearings next week where we are going to be discussing cooperative education, which does involve the placement of students into private jobs that are related to their course of study.

Mr. LEHMAN. Perhaps you can get academic credit as well.

Mr. O'HARA. Most co-ops don't like to do that, but you can take that up with them. But in any event, I think it is a little safer to take it up in that context than it is when we are talking about Uncle Sam paying part of the salary of the student while he works. Then Joe's Glove Factory has 16 employees who are students, and Uncle Sam is paying their wages, and Pete's Glove Factory doesn't have any.

It is a very tough situation competitively. That is one of the reasons we avoided that in this program. But the co-op program is an entirely different kettle of fish.

Mr. LEHMAN. I can understand the drawbacks, but nevertheless, if you offer equal opportunity for the employers as well as the employees to participate, then everybody's factory has an equal shot.

Dr. ADAMS. May I make my own comment about meaningful work experience before I leave? A hundred years ago, our people learned to work before they were educated. This isn't necessarily true now.

We have many of them arriving on their first job at the college campus. A meaningful work experience means if a student hasn't worked before and hasn't any particular skills to sell that we want to buy, you have to start him out in training.

And if you train them, you can use this good supervision. But it doesn't hurt them to learn cooperation. It doesn't hurt him to learn dependability, responsibility first. But as he progresses up the educational ladder, then the job difficulty and complexity should parallel.

This is a structured program so it may not seem meaningful to him. Some of our students say that some of our educational programs are not relevant. They may be relevant 10 years from now, but they are not relevant now because they can't necessarily see that.

Some students say, "I don't want to do this because this particular type of work doesn't require any challenge." Maybe he has never done anything; somebody has done it for him. There is some dignity in all this work, and I have preached this for 20 years.

Before I would take something, I would do any of this work because there is nothing wrong with it. In the eyes of some people maybe, yes, but not my eyes. Let's do that job. Let's learn how to be responsible and produce something.

Productivity is the only reason this country is going to be great. Maybe we have got competition with Japan and Germany right now.

We had better get out there and produce because a nation that doesn't work well doesn't eat well.

Mr. O'Hara. Mr. Quie.

Mr. Quie. Thank you, Mr. Chairman.

I would like to pursue Chairman O'Hara's question about the leaf-raking jobs. You indicated in answer to him you had 1,000 less jobs than you once had financed with work-study. Is that correct?

Dr. Adams. That is 3 years ago. We had 4,100 students working at a given time. Now we have around 3,100 or 3,200.

Mr. Quie. We don't know if those 1,000 jobs have any leaf-raking qualities to them or not.

Dr. Adams. I would say it depends on how the individual views it. If you had an arrival in school that never worked before and you placed in a maintenance job and had to sweep some floors, you would think that is worse than leaf raking.

We do have those jobs. Somebody has got to sweep that floor. The least you can get out of it is financial aid because you are going to be paid for it. To me, you can learn something on that particular job, but if you have no other talents or skills at that time to be used and you do need this diversity of jobs, and we have got about one-third of all the jobs tied into the academic program, but rarely do we have a freshman on these jobs.

If they do real well here then they move up the work ladder as they do the education ladder. But to say we do not have any leaf-raking jobs, if you want to use that term, is unrealistic. It is a term that came out of the old NYA period.

Some of our students, by the way, talk about leaf raking. We have what we call odd jobs. They go out and rake leaves and help with the gardens on Saturday. People hire them and pay them a couple of bucks an hour. They use this for pin money.

They don't mind going out there, taking off their shirt and doing a little work. We keep a list of these students on call. They may or may not want to go. But this is not the regular students' job, but there is nothing wrong with it.

Mr. Quie. I assume that leaf raking was not the first time leaves were raked on a lawn. I just came from a markup of the Youth Conservation Corp bill. The University of Michigan did a study of this program of 15 to 19 year olds working in State parks and Federal parks and forests.

Their study indicated if you disregard the benefit to the student and only give a value to the work that was accomplished, it is 78 cents out of every dollar that was actually work of value to the organization.

Have you been able to do a study and figure out, how much of the work-study money was for work of value to the institution?

Dr. Keene. I don't remember the actual figures but a study was done comparing the amount of work done by, say, two part-time persons on a 4-hour basis each doing what you might normally have a full-time person doing.

You remember the percentage?

Dr. Adams. Eighty percent efficiency is what we determined on that.

Mr. Quie. Eighty percent efficiency.

Dr. Adams. In other words, if you took two student secretaries working 4-hour blocks, with the same skills as one full-time person it would be approximately 80 percent efficiency as a full time because of the supervision and lack of continuity in the work.

Mr. QUIE. That is a little bit different because we don't know if the work the secretaries were doing was something of value to the institution or not.

Dr. ADAMS. It had to be done.

Dr. KEENE. Of all of the work we have how much of the work would you say we could get along without? In other words, we have lost students and jobs and accordingly, less work needs to be done.

Probably 80 or 90 percent of the work done by students has to be done.

Dr. ADAMS. You can't defend it if it doesn't have to be done. I can't defend putting people out if there is not any work to be done. You have got to defend your work. It has got to be done by someone.

As you increase, either through enrollment or your departments increase, or you job areas change, this is where we have been putting our students in. I can't defend placing people just around to be drawing money.

Mr. QUIE. Those 1,000 jobs that are not being filled through work-study, did you then get that work done by full-time employees or by students you paid out of your own money?

Dr. ADAMS. Let me explain how that would happen. You have got four people working in a department, and we did lose one of these, shall we say. There is still a certain amount of work that is being done. Maybe it is not being done as well with the budget cutback but the same thing has happened to our faculty.

We are losing 104 of them also. But when you lose your faculty and your staff you lose down the line. You pull back, curtail, or entrench your programs.

Dr. KEENE. Enrollment has dropped from 24,000 to 19,000 in this time.

Dr. ADAMS. But we have not lost the number of student positions. Let me differentiate between position and job. A position is one person in this particular kind of work. We have over 200 of our student job descriptions.

Now in some places where we had four students we only have three. In other words, our diversity hasn't decreased, it is just our numbers that have gone down because there is not as much work to be done now as there was 3 or 4 years ago.

Mr. QUIE. Then it would be more difficult to receive the extra money to find jobs.

Dr. ADAMS. Partially, yes; except we also have the problem, at least in the library and other areas, and knowing faculty, they always have quite a few things they have been wanting to do that they haven't gotten done. If they can get a student typist they can write a book.

There is always these things you put off. We found in our institution if we pick up the phone and call someone and say, I have about $500 to transfer to you if you have got some work that has to be done. Yes; I have got some things I have been putting off for a while.

If you have the funds there is a great deal of work that goes undone. Our buildings are not nearly as clean as they were a few years ago. It bothers me sometimes. So, I am saying you do have a tendency, if you cut back, to let some things go that you would like to take care of.

We could go off campus. Whether we get funds or not we are going to be increasing. We might not have as many students but we are going to keep on expanding these programs some way or another.

Mr. Quie. Of the work-study jobs, what percentage are off-campus and what percentage are on-campus jobs?

Dr. Adams. I have to give you two percentages here. Normally, in any month, say October, we will have over 3,000 students working. Off campus this may vary from 2,000 to 3,000. We do not have a real accurate count because we do not refer them to all these jobs. We survey like many other schools do, so it may vary from 2,000 to 3,000.

During the year we will work between 7,000 and 7,500 different students because some student drops out to do student teaching or they may drop from their job for a particular term because they want to take a heavy academic load.

We constantly have turnover, as you do in all programs, so you work a large number of different students.

Mr. Quie. Do you have an annualized figure?

Dr. Adams. The annual figure on campus would be between 7,000 and 8,000, but off campus in summer, the best studies we have made to give you a percentage, somewhere in the neighborhood of 85 percent to 90 percent of our students work some time during the year on campus, off campus, or summer employment.

Mr. Quie. That is not just work study?

Dr. Adams. No.

Mr. Quie. I am just thinking of the work study during the school year.

Dr. Adams. Just college work study, we run about 1,100.

Mr. Quie. How many off campus?

Dr. Adams. We only have a dozen or so off campus because we haven't moved the off-campus project. Until we get more money there is no need. We can take care of all of our students right there in our own employment area of the university.

We can take care of about 1,500 or 1,600 right there.

Mr. Quie. If we removed the need criteria, as you suggest, how would you handle that? Would you then use some need criteria yourself?

Dr. Adams. What we would do is what we did before you installed it. We would use primarily the interview technique. All of the students are going to talk to a counselor anyway, so when I talk about the need analysis I am talking about the sophisticated type of need analysis that is done by computers, so when you have three different need analyses you get three different answers.

We have got that now with a student on a BEOG who then enrolls in our institution; also, the Illinois grant. We have got three different groups taking a need analysis on students and this is not the easiest thing to look at. It shocks you occasionally, especially when there may be a $1,000 difference.

What I am saying is as far as our purpose is concerned I am going to assume everyone has a need to work, not necessarily a financial need to work. We interviewed before by priority. Those students that had to work to say in school, we gave them priority first and then we opened up the doors.

A student from a high income family, they knew in our institution 10 years ago that they might have to wait a month or 2 months but we would get them in there to get some experience.

But, within our own institution we used a type of need analysis by priority, not as sophisticated as the computer one but sitting down with that interviewer. We know our clientele fairly well.

I was glad you brought that up because someone might think we would not use any of that at all. We still give priority but we do it mostly through interviews.

Mr. QUIE. Thank you.

Mr. O'HARA. Thank you.

Gentlemen, I want to thank you very much for appearing before us.

Mr. QUIE. May I ask one question?

Mr. O'HARA. Yes.

Mr. QUIE. If you got more work-study money would this, in any way, help you to attract students?

Dr. ADAMS. Possibly a few more. We would hope it would. I think it would help more if we start giving a few more of them credit. What it would do for us now if you give us more work-study money, we would use more institutional money for the middle class.

Right now we are going to have to take care of it by law. As long as you have the law you have to obey it.

Mr. O'HARA. Of course we are rewriting the law. That is why you are here.

Dr. ADAMS. This is the reason I am making some arguments and I answered your question, I think, on the interview. But if we have more money we are going to have more students, especially with this combination of getting paid and credit both. Maybe we didn't mention that.

Don't misunderstand me, we have about 25 or 30 students involved in that right now. I hope we will have about 50. We just started to implement it. But I think that will do something for increasing the enrollment.

Enrollment increases is the only thing we are concerned with. Let's have the best institution we can for the clientele we serve whether we have 18 or 20,000. We would like to see it start anyway.

Thank you, gentlemen.

Mr. O'HARA. Thank you.

[Dr. Adams submitted the following documents for the record:]

EXHIBIT NO. 1

RESOLUTION (MAUSED, 1974)

The annual meeting of the Midwest Association of University Student Employment Directors (MAUSED), representing an enrollment of 625,000 students, was hosted by Northern Illinois University at DeKalb, Illinois, April 24–26, 1974.

The proposed administration cut in funds for the existing College Work-Study Program was discussed and explored in depth, and it is unanimously agreed that any cuts in these funds will deny thousands of students who are now participating in the program the opportunity to attain their higher educational goals. It would also prevent thousands of high school students from low income families to fulfill their plans to attend institutions of higher learning and other types of post-secondary training institutions, all of which are vital for the future of our great country.

The very basic concept and implementation of the College Work-Study Program is in keeping with our inherent and traditional and historical and noble philosophy of giving our youth the opportunity to value that which is earned and in doing so to make a positive contribution to self and society by developing respect for work and its proper and acceptable habits and attitudes.

The continuance of this program at increased monetary levels can readily be justified on the basis of hundreds of new institutions submitting applications for participation each fiscal year. Further, we call your attention to the recently increased minimum wage rates which in itself calls for increased funding just to keep operating at the 1973–1974 level.

Surely, a nation which proposes to provide $685,000,000 annually in BEOG and SEOG gift aid ought to be willing to invest an equal amount in its productive College Work-Study Program.

This Resolution was submitted to the General Assembly of the 1974 Annual Meeting of the Midwest Association of University Student Employment Directors and was passed unanimously this 26th day of April, 1974, to be presented to the appropriately appointed and elected public representatives as designated by the President, Claude Kaczmarek.

EXHIBIT NO. 2

RESOLUTION OF THE MIDWEST ASSOCIATION OF UNIVERSITY STUDENT EMPLOYMENT DIRECTORS, 1962

Whereas, Great publicity is being given to the fact that a significant percentage of the upper twenty-five percent of high school graduates are not going on with college work, and further that the reason given for not continuing their education is financial limitation; and

Whereas, Considerable emphasis is being placed upon scholarship and loan programs to entice talented young people to enter college; and

Whereas, Comparatively little publicity is being given to the significant virtues of financing a college education at least partially on a "do-it-yourself" basis of summer and/or part-time employment; therefore be it

Resolved, That the Midwest Association of University Student Employment Directors, whose members represent years of experience in dealing with working students, go on record by attesting to the fact that many students today, through a combination of savings, summer employment, and part-time employment while attending school, are paying a major portion of their college expenses. Some earn all of their expenses. The Association also testifies to the fact that although the academic records of working students vary as much as do those of non-working students, studies indicate that the academic standing of working students surpasses that of non-working students; and that some of the superior records are made by students who are employed between twenty and even more hours per week during the academic year. The working student finds it necessary to organize his time and to develop effective study habits, and he is encouraged to accept greater responsibility.

It is the conviction of the membership of the Association that during the education period there are definite and important values in work and practical experience. It grants that there are likewise values in certain extracurricular and social activities. Even so, there are times when it is highly desirable for students to limit their involvement in the social activities in order to facilitate the achievement of important educational goals.

Too frequent and too diversified by source to be discredited are statements that many of the current generation of college-age youth are soft and lacking in self-dependence, motivation, determination, ingenuity, and application—qualities which have contributed so much to the greatness of our nation. Counselors of young people find every day evidence to substantiate these claims. It cannot be expected that ingenuity will be developed if there is not the need nor the opportunity to use it; that maturity will be achieved without experience in facing and solving day-to-day problems, as well as the long-range problems such as the setting up, planning, and realization of career objectives.

The Association urges, in the interest of our society, that more attention be given to the guidance of young people in such a way that they will be sufficiently motivated toward an education, to be willing to labor to attain desirable educational goals, and that talented students who do not enter college because of financial reasons be made more fully aware of opportunities of achieving the educational opportunity through one's own efforts and earnings. Educational institutions and governmental agencies are urged to direct their efforts toward assurance of adequate opportunities for part-time employment of the increasing numbers of college students.—

Urbana, Illinois, April 10, 1961.[1]

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[1] Frank C. Adams and Clarence W. Stephens, *College and University Student Work Programs, Implications and Implementations* (Carbondale: Southern Illinois University Press, 1970), pp. 36–37.

[The above resolution was adopted on April 10, 1962, at the Midwest Association of University Student Employment Directors meeting held in Urbana and was to be recorded in the Congressional Record in Washington, D.C. Much favorable publicity was given by the press regarding the revitalization of student employment.]

EXHIBIT NO. 3

SOUTHERN ILLINOIS UNIVERSITY AT CARBONDALE,
Carbondale, Ill., May 3, 1974.

Office memorandum to: Frank C. Adams.
From: Charles E. Gray.
Subject: Student Employment Assistance Act CRB 5866, and the Illinois Economic and Fiscal Commission Financial Assistance Study.

At the Senate Education Committee hearing on April 24, representatives from the Illinois Economic and Fiscal Commission presented testimony from a 180-page, ten-chapter report on student financial assistance in Illinois. The testimony was excerpted from Chapter IX of the report, dealing specifically with employment.

The following points were made:

1. Summer and school year employment provide 52% of the funds derived by students from all formal programs (excluding veterans benefits).
2. Forty-seven percent of all institutional student aid programs (scholarships, waivers, loans, and employment) are provided through employment.
3. Sixty-two percent of full-time undergraduates sought part-time employment. Forty-eight percent were successful. This constitutes roughly an unemployment rate of 23%.
4. A student with a school year job works an average of 18.5 hours per week.
5. The percentage of A or B grade average students is higher among students working up to 30 hours per week than among those who do not work (up to 75% as compared to 70%).
6. A higher percentage of low- and middle-income students sought to finance part of their educational expenses through school-year employment.

It is interesting to note the continuing consistency of unemployment among students. This 1973 study by IEFC, based upon a sampling of students, demonstrates a 23% unemployment rate. In the study by the committee which you chaired in 1970 for the Illinois Joint Council on Higher Education, an unemployment rate of 25% was noted. This 25% figure is based upon the number working (29,058) and the number not working who desired employment (10,206).

Your study was not based upon a sampling of students, but on the perceived need of the financial aid officers. The IEFC statistical survey seems to demonstrate rather forcefully the capabilities of on-the-scene administrators in assessing need.

Students are required to borrow more than they would if sufficient employment opportunity existed. The arbitrary systems of financial need analysis are demonstrably capricious in the amount of family contribution which they determine a family can afford. In a study by the Illinois State Scholarship Commission, whose system closely parallels that of the American College Study, it was discovered that families contributed roughly only 60% of that which the analysis system said they could reasonably afford. The balance had to come from somewhere. With employment limited, it had to come mostly through borrowing.

EXHIBIT NO. 4—CHAPTER 28, NEW PHILOSOPHY—NEW PROFESSION, ROLAND KEENE, FRANK C. ADAMS, JOHN E. KING

In one way or another and each in his own way, the authors of this book have presented a picture of change in a segment of American life. Of course, the picture has been focused upon post-secondary education—but the narrow focus has revealed evidence of the broad currents of change in the United States today; less concern with growth and expansion, more concern with the detail and the quality of life. Several of the authors have suggested a pronounced trend toward viewing higher education as a right of all citizens rather than a privilege of the few. And there has been throughout the book an implied faith in higher education as a social institution to benefit people and improve the quality of life.

The focus upon post-secondary education in this book, recognizing diversity and complexity, anticipating change, and suggesting an emerging profession, poses two closely related sets of challenges that cannot be ignored. First, there are broad challenges, and thus broad opportunities, in the area of higher education itself. Second, and so closely related to the first that they almost constitute a corollary, are challenges and opportunities in the student support profession.

CHALLENGES AND OPPORTUNITIES IN HIGHER EDUCATION

Student support is part of the higher education scene. Further, student support is quite necessary to higher education. Therefore, the challenges and opportunities in higher education will have direct implications for the student support profession. Accordingly, considerable attention should be given by student support personnel to possible developments and changes in the broader field. Indeed, it seems imperative that the student support officer be aware of the realities of the total social environment and sensitive to the response of higher education to these realities.

A great philosopher of this century once said that "education is life." The impact of this statement upon elementary and secondary education in the United States, and upon teacher education in the colleges and universities, is a matter of history. Yet the full realization of the meaning of this statement is not possible at the elementary and secondary levels of education, because young people travel through these levels growing toward adulthood. The full fruition of this philosophy can only be realized in higher education, and the implications for the traditional patterns of higher education are far reaching in nature.

A preponderance of evidence indicates that this nation has largely accepted the principle that higher education, or post-secondary education, is the right of all citizens. This fact, coupled with the foregoing philosophy, points to a great opening up of higher education. A new term, "tertiary education," has appeared and is receiving increasing usage to indicate the new scope of post-secondary education. This need not be threatening to the traditional, intellectual, scholarly disciplines. The "intellectual segment" of society, which has fairly monopolized higher education in past periods, is a legitimate segment of society and will continue to be served in its own distinctive way. To this kind of higher education, however, will be added other brands to serve the needs of other segments. The latter kinds of higher education will range the length and breadth of human experience. The activities of higher education will embrace the stringently intellectual and scholarly at one end and include appropriate activities all across the spectrum to the pragmatic, action-oriented achievements of applied science, to the vocational and career-oriented, to the life-enrichment recreational and entertainment activities at the other end. People will enter, leave, and return to the institutions of higher education throughout their lives. Truly, "adult education" will come into its own. The colleges and universities will be opened to the people and will operate day and night in many places. Certainly challenges and opportunities will abound in this area of life. It is probably safe to say that a person in the future will experience the benefits of many institutions, and probably many new types of institutions not commonly on the scene today. Likewise, it is safe to say that no single institution can hope to meet the needs of all the people.

Who will pay for all this? Again, the answers will be varied. Much will depend upon the institutions and the ingenuity of the student support personnel within the institutions to design self-help programs that will make it possible to meet increasing needs of citizens for funds to enable them "to go to college" and also to assist in providing for additional funds to replace those temporarily terminated during periods when the citizen is on leave from his customary employment. Increasingly business and industry, as well as governments, will become involved in creating opportunities for citizens in post-secondary educational activities, thus the role of student support personnel will be further expanded to include increased relationships with employers and external agencies.

The right of all citizens to education beyond the high school is, for adults, the right to an opportunity for such education. Accepting the necessity for some degree of diversity in admissions practices consonant with individual institutional missions, this means that a traditional or non-traditional institution must be realistically accessible to every citizen throughout his lifetime. This applies equally to the traditional "higher education" that leads to a degree and to adult or continuing education, or one might say, to the remainder of "tertiary education." Again, the implications for student support are clear. Paternalism in institutional stance as well as in government leads to serious delays and defects in the maturity (or socialization) of individuals and has no place in a healthy democratic society. Essentially, therefore, a citizen has the right to an opportunity to accept responsibility for becoming a more effective (i.e., wiser, happier, healthier, more productive) member of society. This surely indicates his right to articulate his post-secondary educational needs and his right to play an effective role in providing for them.

It is not logical that the "student" in higher education receive more subsidy than he expected as a right from free, public elementary and secondary education, that is, the institutional costs. His personal costs for his common school education were paid by his parents. But at the level of higher education, he is an adult and logically would assume his personal costs. That the personal costs for an adult are higher and that he often cannot commute to the location of his higher education program is not a valid argument for paternalism or an extension of the *in loco parentis* principle. He has, however, a right to a self-help opportunity to provide his own expenses for clothing, shelter, board, travel, and the like.

The above position would also argue strongly for free tuitions in public institutions of higher education, as tuitions are applied to institutional costs of operation, especially for two, and perhaps four, years of formal higher education. However, this is not always possible in the public colleges and universities, is definitely impractical in private institutions, and is not a reasonable expectation in the many forms of tertiary education that we may expect to be developed in the future. Again, forms of self-help as well as other kinds of support are the logical consequence.

One must say that the preceding line of thought leads to the conclusion that important challenges are arising for creativity in higher education in the United States and for the student support personnel in higher education as well.

CHALLENGES AND OPPORTUNITIES IN STUDENT SUPPORT

It is to be expected that the student support operation in colleges and universities in the United States will become much more sophisticated during the next decade. It seems reasonable to predict further that the student support profession will become more important to the institution it serves and begin to have an impact upon institutional policy, especially regarding the nature of student support programs, the methodology of handling these programs, and related educational policy.

More and more the student support personnel will be required to work with the academic arm of the institution as the educational potential of the student support programs comes to be recognized and insisted upon by more and more colleges and universities. Student support personnel will also come to participate increasingly on a personal basis in the academic offerings and programs in the institutions in which they work. These two developments will be mutually reinforcing and will jointly contribute to the increasing importance and professional development of the student support program and personnel.

Certainly well-trained and knowledgeable people will be required in the student support field. They will be expected to assist the academic departments, to work with students usually on a one-to-one basis, to provide counseling services, vocational information, and to develop and strengthen the student support operation as a necessary component of the field of higher education that will itself be expanding in scope and diversity. Student support personnel will be challenged to be as creative in the development of new means and methods of student support as higher education personnel will be to develop new programs in response to new and varied expectations of citizens for post-secondary education.

EMERGING PROFESSION

At the outset, this book suggested that student support in the colleges and universities of the United States is emerging as a profession. This trend will undoubtedly continue and student support personnel become more important on the institutional, state, and national scenes.

The descriptions of roles and programs contained herein amply illustrate the growing complexity of the student financial support operation in many institutions. Such complexity demands the services of professionals.

Many other elements in the student financial support operation require competent personnel dedicated to an ideal of service. The special problems of minorities and foreign students need people who are sensitive and knowledgeable regarding the unique cultural parameters as well as the economic constraints that characterize these groups in order to assure effective solutions. The necessity for student support personnel to deal with all clientele on an individual basis and assist in working out personal problems in a face-to-face situation calls for training and competence in the technique of guidance and counseling on the part of such personnel.

A fund knowledge regarding job requirements, placement, and college resources, continually brought up to date, must be at the fingertips of the student financial support officer if he is to fulfill the counseling function adequately. It would also help if he were a psychologist, a philosopher, and a person with a broad acquaintance with life, as he is challenged to provide vocational, educational, and personal counseling. And it quite necessary that he have a strong ethical sense for the confidentiality of client information.

Finally, the student financial support officer is an educator. He is obligated to make the student financial support programs as valuable as possible for each student who comes before him. His role as an educator will vary in scope, of course, depending upon related institutional philosophy; quite broad in those instances where the institution emphasizes such programs as cooperative education and work-for-credit, narrower where less institutional emphasis is placed upon making the financial assistance program an educational experience. But even in those situations where no institutional recognition supports the principle of the educational function of student financial aid, the student support officer is obligated to do all he reasonably can do to make his programs functionally educative for the students.

THE UNIFYING PHILOSOPHY

Upon several occasions in the pages of this book, it has been pointed out that the student financial support operation must be consonant with the mission of the institution which it serves. Recognizing that student financial support personnel serve students as well as institutions, a statement of philosophy was initially offered upon which all students support officers could unite regardless of the particular institutional circumstances within which they found themselves among the diversity of American institutions of higher education: *Student support shall serve the distinctive needs of the particular clientele of the institution.* To this common philosophy of the financial aid profession should be added the educational obligation of the profession. This obligation is based upon two additional thoughts. First is the general idea that all financial aid programs, gift aid, loans, and employment, stem from work and productivity. Second is the premise that all programs of financial assistance regardless of their nature can provide worthwhile educational experiences for the students. These two considerations are quite interrelated, and both will be discussed briefly below.

Some student financial assistance programs lead naturally to the development of maturity and independence within the student, while others encourage a sense of dependence and an exaggerated attitude of selfish expectations and a proclivity to "demand" unearned "rights." That is to say that some programs are educative by nature and some are not, thus making the educational role of the student financial support officer easier in some instances and more difficult in others. The recognition that no financial assistance program of any nature can be provided for students unless someone somewhere works to produce it, may facilitate the task of making all programs educational. A gift aid program, whether provided through federal taxes or institutional endowment, is the fruit of someone's labor. The recipient should be made aware of this, not to foster a position on the part of the student of dependence or servitude, but to enable the recipient to understand that people (rather than a bureaucratic nonentity) have worked to provide him an opportunity which he can accept without guilt or loss of pride provided he also willingly accepts the responsibility on his own part to work his best to be academically successful. This is the basis upon which gift aid, by nature having the least educational potential of all forms of student financial support, can be made very educational indeed. In fact, a spirit of enthusiasm for the academic task can be fostered under these conditions, but closure on the matter must be had through appropriate follow-up work on the part of the student support officer, who can make sure that the responsibility for successful academic achievement is properly recognized.

This matter of checking upon and appropriately recognizing the academic progress and achievement of award or gift recipients is specifically the responsibility of the student financial support officer. Students need feedback and need to know that their academic success is the only true way for them to repay assistance because it achieves the very purpose for which the funds were provided in the first place. Without adequate follow-up of this nature by the student support personnel, gift aid can be a psychological deterrent to wholesome individual development, yet such follow-up efforts are conspicuously absent from most student financial support operations. Without this kind of attention by student support officers, the large federal programs such as the basic grants program are nothing more than educational doles that have a debilitating effect upon the social morale. It is well and good to talk about the *right* of every citizen to education beyond high school, but it is disastrous to fail to recognize that every *right* implies a corresponding *responsibility*. The task for making this clear in a socially healthy manner requires the expertise of professionals, and the task falls directly upon the student financial support officers in the institutions of higher education. It is clear that all varieties of student financial support programs can be educationally valuable. The obligation to make them so must be a part of the philosophy of student support in the institutions of higher learning.

A common philosophy that the members of a profession can accept is essential to the survival of the profession. To restate the unifying philosophy of the student support profession at this point is no difficult task: ***Student financial support shall serve the distinctive needs of the particular clientele of the institution in a manner that contributes to the educational development and maturation of the students.***

The editors have experienced an interesting and challenging task in the compilation of this book. By way of summation, they wish at this point to exercise their prerogative and suggest certain recommendations, based upon the foregoing philosophy and upon the readings in this text. While the recommendations that follow are expressions of the personal opinions of the editors and are not to be charged to any of the co-authors of the book, the editors believe them to be timely for the student support profession at the three-quarter mark of the twentieth century.

The recommendations are arranged in two groupings, first those that pertain to higher education and student financial support in general, and second those that focus upon professionalism and student financial support.

RECOMMENDATIONS: HIGHER EDUCATION AND STUDENT FINANCIAL SUPPORT

The student financial support officer should be a constant student of higher education himself. As a professional educator, he should be aware of the current issues and trends in higher education in general. In order to guide his own operation wisely and plan effectively, he should be familiar with the professional literature of higher education. Such items as the annual reports on nation-wide enrollments, higher education appropriations, and private foundation giving should be on his regular reading list. Attendance at professional meetings, conventions, and workshops, as well as regularized relationships with other officers in his own institution, especially the admissions officer, placement officer, institutional research officer, and the central administration, are professional "givens" for the student support officer. These matters can be taken for granted; however, there are matters of policy involving higher education and student financial support upon which the editors wish to take a stand and make recommendations.

Educational Value of Programs and the Matter of Tuitions. If indeed the growth and development of students (in the sense of the traditional student who enters a higher education institution directly out of high school) into mature and effective citizens is a chief objective of financial assistance programs, some thought must be given to assuring that the student has a reasonable opportunity to benefit fully from such programs. This line of reasoning leads to the conclusion that federal, state, and other forms of gift aid should be limited to tuitions and institutional fees, and that the student be expected to contribute the cost of his personal expenses (room, board, clothing, recreation, transportation, and the like) through self-help effort. Loans and employment are the usual forms of self-help for students in institutions of higher learning. This is the same principle that applies in free elementary and secondary education, with the difference being that the parents were expected to provide the student's personal expenses during those years. Now that a person reaches his majority at age eighteen, as a full-fledged citizen, he must be expected to help himself. Two further conclusions are pertinent.

Student support personnel should rid themselves once and for all of the *in loco parentis* posture. There is no doubt that parents will always contribute to students' expenses at college and university; however, students can be encouraged to "do it themselves." Furthermore, the importance of this principle places the "independent student" in a different perspective. No longer is the "independent student" a problem, but rather he is a goal—an asset to be desired. These two conclusions, abandonment of *in loco parentis* and encouraging and expecting the student to be independent, have important implications for higher education and will have even more important consequences for students themselves.

Government and Student Financial Support. The welfare syndrome in government, rampant at the federal level and serious at the state level in many states, is a perversion of a humanitarian concept of the function of government. Humane legislation, passed with the best of intentions, contained no safeguards against unintended consequences, with the result that third and fourth generations of parasites have been bred into an otherwise largely free and relatively productive citizenry. This national policy of paternalism has, indeed, created socio-economic and psychological obstacles for certain minorities and disadvantaged segments of the population that are proving almost insurmountable. Furthermore, such a policy, through its tendency to elevate the state and subjugate the individual as an economic dependent, contains the potential to undermine the ideals and philosophy that provided the basis for democracy and for the founding of this nation in the first place.

Now, the United States faces not only the complicated humane problem of helping people in need, but of correcting former mistakes that have been abused and making it possible to help people in need *to help themselves* and thus to preserve their self respect. The United States can solve this problem. The greatest danger lies in the fact that the people may not perceive the urgency in the need for a solution. The solution may require more than "education" at this stage. An unusual combination of statesmanlike leadership *and* education can eliminate the welfare syndrome and revitalize the importance of the individual in American society.

All that has been said in general about the welfare syndrome in the United States can be applied to the part now played by government at the state and federal levels in student financial support in higher education. While the preceding statement emphasizes the vital importance of a strong student financial support profession, the editors offer the following recommendations, specifically applying to government and student support, as essential to the solution of the overall social problem as well as necessary to educationally worthwhile student financial support programs within the institutions of higher education in this nation.

First in the area of higher education and elsewhere in due course, the federal and state governments should reject as national and state policy their *in loco parentis* stance toward adult citizens. Such policy nurtures infantilism and dependency. If the Congress were sincere in extending the voting franchise to persons who had attained age eighteen, government must recognize that students in higher education are adult citizens. Only through treating young adults as true adults with personal will and usefulness and integrity will they be permitted to develop into full maturity. Failure to recognize post-secondary students as adults may generate, or perhaps confirm, the suspicion that extension of the franchise was merely a scared sop tossed to appease the vicious tantrums of militants during a time of general campus unrest.

All governments in this country, in their laudable efforts to assist in solving student financial support problems, should de-emphasize gift aid and increase self-help programs. Such Gift aid programs as the national basic grants (BEOG) and other direct-to-student programs should be reorganized so that they are administered through the institutions. In the long run, administration by professionals at the local scene will obtain better results and achieve purpose more accurately (i.e., be more economical and efficient) than the impersonal wholesale distribution of funds on a national basis.

Need as the primary basis for many programs will become less important as the independence of students comes to be generally recognized. The right of all citizens to post-secondary education can be the chief basis for qualification for a program. Need and gift aid cannot be abandoned, but must be reconsidered. Self-help must become the primary channel through which student support reaches its ideal goal: student support of himself.

The federal government has certain programs that should be improved and emphasized. The present college work-study program, with some revision of guidelines (for that matter, with constant attention to revision of the guidelines to improve the program), should be expanded as a present program, and future appropriations should be increased to compensate for such changes as increased institutional participation and changes in the minimum wage laws.

Service to the nation should be encouraged through such non-need based programs as the GI Bill of Rights. For example, service in an Environmental Quality Corps could be rewarded with benefits similar to those for veterans. Educational benefits prior to, during, and following service to country should be considered. While features of programs such as this suggestion could be tailored to manpower needs, as in all gift aid programs appropriate restraint should be exercised. Programs that recognize service rendered do not ordinarily detract from the recipient's self-image and development; nevertheless, all gift aid should be restricted to tuitions and fees as a maximum.

Opportunities for Student Self-Help. It should be noted that independent status for students can only be attained in a society which is willing and able to provide the necessary opportunities for its youth to be independent. This means that college youth must have the same right to work as do adults. The present U.S.O.E. College Work-Study regulations which forbid a student employee to replace a full-time employee would no longer be applicable. Further, students should be considered as entitled to an equitable share of work opportunities on campus. No longer could full-time employees expect that institutions exist to provide faculty and staff with full-time employment while, at the same time, institutions ignore the importance of work in providing for the educational and financial needs of students. Also, where institutions elect to approve college credit for career related work experience, and should such work experience be available in a union shop, it behooves the union members to cooperate with the institution.

Business, industry, and government must recognize the importance of providing more employment opportunities for students than have been afforded in the past. This means more summer jobs, more cooperative educational opportunities, and more part-time employment in off-campus work situations. It is the thinking of the editors that when institutions are willing to award academic credit to students for career related off-campus employment, the majority of employers will be cooperative. Such arrangements could bring higher educational institutions, business, and industry into a smoothly functioning partnership which would serve the best mutual interests of our youth and society. Students need and will respond to the challenges of the class room and of the job. Students who possess the skills, abilities, and motivation should be considered for work opportunities which have a job level of difficulty commensurate with individual qualifications.

Institutional funds for employing students should be administered by the student financial support administrator. Such an assignment is necessary to provide truly meaningful work opportunities which will accommodate educational needs of students at various stages of academic careers. However, the editors recognize that such an administrator must be an educator in the true sense of the title, one who is capable of assuming program responsibility and leadership, when accorded the authority.

To encourage student independence, there must be diversity in self-help programming. Student loans, on a long term basis, should be available, in addition to the provision or a student employment. It is the belief of the editors that loan programs should be administered by the institution. To illustrate, the present National Direct Student Loan Program should become an institutional loan program with the present collections placed in a revolving fund. Should the revolving fund prove inadequate to accommodate the needs of students, the institution could borrow federal funds on a long term basis. Accordingly the students would then be responsible to institutions which, in turn, would be responsible to the federal government.

It seems reasonable that state governments could provide state funds to institutions, both private and public, which could establish loans for students. Again, the individual institution would be responsible for collecting the student loan payments and reimbursing the governmental lending agency.

Need Analyses. The professional people associated with the College Scholarship Service and the American College Testing Program must be recognized for taking the lead in past years in most student financial support developments, both philosophically and technically. The professional organization, will no doubt, tend to take the lead increasingly in the future, especially in general, philosophical, and non-technical matters. However, the CSS and the ACT program can and will do much to facilitate desirable changes in higher education and in student support in the next decade or two. It should be apparent that many changes will be required in the technical services offered by these organizations. They should begin to think about retooling to take care of the needs of programs administered on the institutional level and programs for the independent student.

The writers understand how it came about and why it seemed to be necessary, but it should be recognized that the present need analyses are blatant and degrading invasions of privacy that are forced upon parents who, in turn, are lowered in their own eyes and often in the eyes of their sons and daughters. Such instruments in the future should be designed for the independent student and for institutional analyses. This is quite a challenge, but the two major services have met great challenges in the past.

Diversity and Innovation. The editors feel that the professional vitality and administrative skill of the highest quality personnel will be required in the area of student financial support as the diverse system of higher education in the United States expands in scope to meet the needs of all adults. A spirit of challenge and innovation should mark the efforts of the student support profession as it becomes a full partner with institutional faculty and administration in the developmental years of tertiary education. Maintenance of a viable organizational structure and an enthusiastic attitude of innovation should mark these years.

RECOMMENDATIONS: PROFESSIONALISM AND STUDENT SUPPORT

There is no advantage to higher education, nor to the people for whom higher education exists, in the professionalization of student financial support if such professionalization occurs simply to provide status for student support personnel. The profession can only be, and indeed is, justified through the obligations accepted by the members, as well as the acceptance and implementation of the general philosophy expressed in this book. Some of these obligations are emphasized in the following paragraphs.

Emphasis upon Educational Potential of Student Support Programs. The heart of professionalism for student support personnel centers in the premise that the financial aid officer is a professional educator and as such his chief function is that of educational counselor. It therefore becomes the professional obligation of the student support officer to emphasize the educational potential of all aid programs. This poses a special challenge with certain programs which do not naturally lend themselves to a valuable educational experience. The federal direct-to-student programs are an illustration. While the student support profession should not be tardy in having a direct political impact upon such programs in order to change them in the direction of educational viability, more importantly the profession should administer such programs in a manner that causes them to contribute to the student's growth. Insistence upon this latter procedure will tend to have an impact upon the programs themselves.

It is in his own self-interest that the financial aid officer will promote and emphasize those programs of student aid that are by nature educational. Such emphasis is justified, because in turn the students will reap the ultimate benefits. Part-time student employment is a "natural" in this respect. The educational goal is, of course, to contribute to the maturation of the student into an effective and productive member of society. Those programs that have education as the primary objective and financial assistance as a secondary objective should also be promoted. Cooperative education and work-for-credit are examples. The student support officer will not, of course, jump into such projects without adequate personal preparation. If he is not equipped to deal on an equal basis with faculty and to assist academic departments, he will proceed to prepare himself to do so through his own personal in-service preparation program.

Ethics. In the counselor-type relationships between the student support officer and the student, ethical behaviors are expected on the part of both participants, but the burden of ethical conduct falls upon the student support officer. This officer and the entire institutional student financial support operation must be geared to protect the confidentiality of student information necessarily entrusted to student support personnel. Further, the student support officer, is ethically obligated to find the best, which includes the most educational, solutions to each student's problems.

The best interests of the students, the institutions, and the agencies which provide financial support funds are in the hands of the student support administrator. Therefore, institutions should be most selective in employment practices when filling the position of the student financial support administrator. Such individuals need skills and abilities to perform on a high level of job efficiency. However, of even greater significance is personal integrity and leadership qualities, so essential in carrying out necessary duties and responsibilities.

Preparation. Student support personnel are obligated to be personally competent to perform the services required for students. Often such personnel may not discover precisely what competencies are required until they are on the job, and in such cases are obligated to prepare themselves through in-service efforts. They should be assisted in such efforts both by their professional organizations and by institutional departments that can provide courses and other educative endeavors related to in-service preparation.

In many instances, higher education has virtually neglected the emerging profession of student financial support, partially because higher education has not recognized the importance of student financial support programs to the overall on-going operation of the institution. Further, the emerging profession can be considered as a new dimension in college personnel work.

However, in not realizing the need for graduate training of financial support counselors and administrators, student support practitioners have been compelled by necessity to rely on assistance from agencies extraneous to the institution. Such agencies as the U.S.O.E., the College Scholarship Service, the American College Testing Program, and regional financial support organizations have been most helpful. Nevertheless, it must be emphasized that the emerging profession will never become a true profession until graduate schools are willing and able to provide academic training to supplement the on-the-job training of student financial support personnel. The editors feel strongly that it is past time that graduate schools recognize their responsibilities and plan academic programs accordingly to that end.

Institutional Organization. To be effective in providing service and leadership for students and institutions alike, the chief student financial support officer must be established in a strategic position within the administrative hierarchy of the university, it is the belief of the editors that regarding junior colleges and small four year institutions, the financial support administrator should report directly to the institutional president. In larger colleges and universities, the financial support administrator should normally contact a vice president. However, concerning experimental and innovative programs, his reporting directly to the school's president may be expedient.

Initiative. A student support officer, an educator, a member of a profession, takes unto himself a modicum of autonomy and, by implication, an obligation to assume responsibility for the improvement of the profession. Thus, the student support officer will actively support that which he knows will improve the institutional capacity to serve students better.

Time is overdue for members of the emerging profession to become aware that they must "carry the ball" if they are to become participants in an accredited profession. These members, together with regional associations and the national associations, should exert definite pressure upon institutional graduate schools, urging appropriate academic training and materials. Such course establishment calls for more research and publications concerning student financial support programs. In addition, it requires program evaluations and recommendations for change and innovation when deemed necessary.

The editors will consider this book worthwhile if, in some small way, it contributes toward inspiring individuals and groups to become more dedicated and to exert additional effort toward the goal of realizing a professional status for student financial support personnel.

Professional Organizations. Membership of the financial aid officer in the appropriate professional organizations goes without saying. But active membership, including attendance at conventions, committee work, and serving in various official capacities when requested to do so, is an obligation. The policies of the professional organization depend upon the active members of that organization.

On the other hand, the professional organizations exist solely to serve their members and to provide a vehicle for cooperative professional action and determinations. Among other things, the professional organizations of the student financial support profession will insist upon the following four matters: (1) the provision of in-service training opportunities for the members both in the form of formalized courses, short courses, internships and the like at colleges and universities that have the resources to develop them and in the form of workshops, conferences, and study sessions under direct sponsorship of the professional organizations themselves; (2) the development of a code of ethics that guarantees client protection; (3) the continued emphasis upon professional research and publication; and (4) the provision of a forum whereby the profession can arrive at consensus on philosophical and political matters.

NEW PHILOSOPHY—NEW PROFESSION

The editors, in their own chapters in this book and not without support by the other co-authors, have attempted to describe the emerging profession of student financial support in higher education and to aid and abet the further development of this emerging profession by pointing out certain issues, trends, and desirable postures. In summary, a philosophy was developed that can be accepted by all members of the student financial support profession regardless of their location or institution of employment. A central philosophy is, of course, a requirement for a true profession. The necessity for rejecting all aspects of an *in loco parentis* stance and the desirability of recognizing the value of the independent student concept were emphasized. The importance of the institution to student financial support efforts was delineated, and the need to administer programs through the institutions was supported. Strong emphasis was placed upon self-help programs, and it was recommended that gift aid programs be restricted to tuitions and fees. All these things contribute to, or require, a high degree of professionalism on the part of student financial support personnel.

The past decade is notable for the numbers of dedicated people in the colleges and universities of the nation who have devoted their time to solving the financial problems of students. These people are indeed professionals—not necessarily in the sense of an exclusive group of defensive specialists, but rather in the sense of people with a commitment to rendering service to others. This service is on a one-to-one basis, and thus a counselor/client relationship is the result. These student financial support people have no need for the traditional trappings of older professions, and certainly have no reason to mimic older models. They have a unique position of strategic importance to fill in higher education, and their need for common action in the service of students justifies their identification as a special and distinctive service group. As a profession, they can constitute a new kind of profession. If the analyses in the essays in this text have provided the basis for unity and for a new common philosophy—the foundation has been laid for an important new profession.

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28. New Philosophy—New Profession.
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Mr. O'HARA. Our next witness is a repeat performer before the subcommittee. She is Pat Keegan, a student financial aid administrator at Simmons College. A year ago Miss Keegan wrote me a letter describing in considerable detail the impact of the proposed administration budget for the 1974 fiscal year, the impact it would have on students at Simmons.

She gave specific details in her letter and was so graphic and well informed that I used it as the basis for my own testimony before the Appropriations Subcommittee that was considering that budget.

Incidentally, they accepted Miss Keegan's views rather than those of the administration. Last fall, just as we were scheduling hearings on the second BEOG family contribution schedule, Miss Keegan did it again, writing me a followup letter explaining what the first schedule had, in fact, done to a number of students. We asked Miss Keegan to testify in person that time.

The day I instructed the subcommittee staff to begin setting up these work component hearings a letter arrived on the letterhead of Simmons College and sure enough, it was from Pat Keegan, telling us in great detail how her first year of major work-study program was functioning. So, her trip to Washington is her own fault. If she weren't such an avid letterwriter she wouldn't be here.

But we are happy to have her back again. At least, Miss Keegan, you are one witness before a congressional committee who can't be accused of withholding evidence.

STATEMENT OF PATRICIA KEEGAN, DIRECTOR, STUDENT FINANCIAL AID, SIMMONS COLLEGE, BOSTON, MASS.

Miss KEEGAN. Thank you, Mr. O'Hara. It is a pleasure to be here.

Mr. Chairman and members of the subcommittee, from my point of view, as a financial aid officer, the college work-study program is the most exciting student aid program we administer.

Because of the administrative details, the weekly payroll slips, students checking on hours and accumulated earnings, we frequently see all students who work under this program. And it is through this contact that we see students grow, mature, and change or affirm their career goals.

One student has definitely decided she wants to be a librarian as a result of her college work-study experience in her local library.

The work-study program is enabling me to approach students in a positive way when we talk about next fall's $324 increase in tuition, room and board charges. Not one of our over 550 financial aid recipients has asked me if we will provide grant funds to cover this increase.

Instead, students are asking how they can help cover the increase. And it will be mainly college work-study funds that will enable students to do this themselves. We are planning on a sizable summer work-study program, employing over 200 students.

In this year of a particularly tight summer job market, it seems very important to provide jobs for our needy students. One student wrote us "without work-study, I realize the great difficulty I would have in obtaining a job, from which payment is essential to the continuation of my college education."

One of our older students, a 37-year-old divorced mother with two young children, wants to teach to support herself and her family. She is particularly interested in working with inner-city, Spanish-speaking students, and is enrolled in our 1-year graduate program in education.

Her family is currently supported by aid to families with dependent children, and her education is supported by a national direct student loan and college work-study. She does secretarial work for a new management program at Simmons, and tells us that although her job is in no way connected with her career goals or studies, it has been a tremendous help financially.

Without the opportunity to work on the work-study program, going back to school would have been far more difficult, if not impossible, for her and her family. She feels that whether a job is career-related or not, the work-study program is extremely valuable.

Without this chance to earn some of her own tuition in a job that needed her secretarial skills, she would have had to borrow additional money and would face an even greater loan debt after graduation.

We have just learned what our work-study appropriation will be for fiscal year 1975. The lateness of this appropriation is causing concern, anxiety and frustration for our students, our work-study coordinators Lana Brennan and Grace Muscarella, and the employing agencies.

Classes at Simmons end May 24, and students will be able to start summer jobs June 1. We have already notified eligible students that it looks likely they can have college work-study jobs this summer, but

I dare not make a firm commitment to them until this time when we have received notice of our appropriation for fiscal year 1975.

Employing agencies are calling us to get firm commitments, so they can plan their summer programs. Two of our social work students have been working with an average case load of eight clients during the academic year as part of their required field work experience.

Both are eligible for work-study this summer, and if our funding is sufficient, we will place them on work-study. To keep a good working relationship between social worker and client, it is necessary for the client to know in advance who his social worker will be.

These two students felt it is of the utmost importance to tell the clients by May 3 when student field work assignments end, that they are either terminating or staying with them during the summer.

Therefore, I would urge that, if at all possible, notification to the colleges of their appropriations be made earlier so that funds can reach the proper students in time to be of help.

The work-study program is funded on the July 1 to June 30 fiscal year. Our summer work-study program begins June 1 and goes until the end of August. To run one program in the summer that covers 2 fiscal years is difficult, and I would like to recommend that some leeway be given to allow colleges to carry over a percentage of funds for the summer program only from 1 year to the next, and that leeway be given to borrowing funds from the following year's appropriation for use in the current year's summer work-study program.

Our experience with agency employers has, by and large, been exciting. The Y.M.C.A., for example, maintains two salaried employees in their Boston office who coordinate the work-study students and jobs for almost all the Y's in the country.

By working with Leo Johnson and Debbie Knox at the Y, we have placed students in YMCA's as far away as Seattle, Wash. Since the nonprofit agencies do not have the funds to perform many of their activities with their own resources, and can employ work-study students, I see the work-study program as serving a dual purpose: first, to help the student financially and educationally; second, to help staff nonprofit organizations which, without this additional staff, could not perform many activities that are in the public interest.

One student reports that she is working with the Cambridge YWCA's newly licensed drop-in day-care center. Without the work-study grant the YWCA couldn't afford to pay her, or adequately staff the day-care center.

The Roxbury Boys' Club possibly would not survive if they didn't have work-study students to develop and manage their recreational programs. Hospitals in the Boston area employ students to help with needed administrative work, while at the same time they provide nursing and paramedical students with good experience in applying their classroom knowledge.

Transportation Systems Center in Cambridge has taught one of our students computer programing. I think it is important that college work-study students continue to work in the public interest at nonprofit organizations while receiving public funds for their work.

I also believe it important that students hold meaningful jobs, and not just make-work positions. Since agencies have a monetary interest in the students, they will make sure that the functions students perform are important to the goals of the organizations. And 20 percent does not seem to be much of a burden for most of the agencies.

College work-study has proved to be a real educational experience for students. I discovered that students are learning to budget their money. Many very low income students, whose families are used to giving their welfare check to the landlord and grocery store, never knew what "pocket money" was.

Now they are receiving pay for work they have performed, and they are having to decide for themselves whether to buy the winter boots this week, attend the symphony concert, or save money for books and tuition. Learning to budget hard-earned money is a most valuable learning experience.

We have also discovered that college work-study students are good examples for young people that they have come into contact with through their jobs. Roberto Barragan, director of student services at a better chance, tells us that college work-study students who work as counselors in his program provide exemplary models for his upward bound students.

The Roxbury Boys' Club tells us that many of their students would not be college bound if it were not for the presence and influence of work-study students.

There is much administrative work involved in administering the college work-study program. Many questions arise concerning particular agencies, job placements, and student eligibility.

Over 30 work-study coordinators in the Boston area meet informally during the year to discuss these and other problems. Represented at the meetings are financial aid officers and agency representatives.

We have found that sharing problems helps each one of us. And we learn from each other that we are all interested in students. More than 80 percent of our work-study students are employed off-campus, and we are better able to determine hourly rates of pay by coordinating with other colleges and employers.

I would recommend increasing the maximum pay rate of $3.50 per hour to perhaps $5 per hour, depending upon the skills rather than the financial need of the student involved.

Economic conditions have changed since 1965, and students need funds more than ever to help with college costs. Ac we encourage older, more mature students who have some salable skills to return to college for professional training, and as our continuing education population increases, it would seem that the $3.50 maximum rate should increase.

A former Boston teacher is in our graduate urban education program. She is coordinating a tutoring program between our own education majors and inner-city school children under work-study.

She works very closely with our own instructors, the Boston inner-city school personnel, and the inner-city children. Her background and job responsibilities are such that we are embarrassed to offer her the $3.50 maximum allowable, when graduate students in the Boston area are offered up to $7.50 an hour for private tutoring.

Students want to work to help with their college expenses, and they should have the opportunity to do so. I have attached to this paper samples from letters we have received from our students who are currently on work-study. These letters prove to me that, from the students' point of view, college work-study is a most successful student aid program.

[The letter excerpts follow:]

I am an English major at Simmons College and am also aiming for depths in government and/or philosophy. I am a candidate in the English B.A.–M.A. program (both degrees are awarded concurrently at graduation to the student having completed necessary additional requirements.) One reason why I am particularly interested in the B.A.–M.A. program is that I realize that Law School admission is fiercely competitive; the Master's Degree will, hopefully, be considered an "added attraction" to the admissions officers.

Obviously, if I am so anxious to expose myself to such a rigorous program to help boost me into law school, I must be really convinced that law is the sort of career I want for myself. I am convinced and it is the career I want. But why am I so willing to immerse myself in such academic intensity and why am I so sure of my interest in law?

Because of my Work-Study experiences. During the six-week interim between first and second semesters, I worked as a legal assistant at the Legal Aid Society of Northampton County in Easton, Pennsylvania, my hometown.

My six weeks at Legal Aid were a myriad of experiences; I did secretarial work and sat in on office conferences between staff attorneys and their clients. As I became more knowledgeable of office procedure, I conducted preliminary interviews (primarily divorce and landlord-tenant complaints) and did extensive research at the Law Library of the Northampton County Courthouse. During spare moments and often during lunch hour, I sat in on hearings and open trials held at the Courthouse and read many of the official court transcripts of cases handled by Legal Aid which were on file in the office.

I was exposed, firsthand, to the lives of people dedicated to justice; I met many Easton (and Bethlehem) attorneys; those involved with offices such as Legal Aid and the Office of the Public Defender, and those in private practice. I learned more about the legal and governmental structure of my hometown in six weeks than I had in nineteen years. (And, I must admit, when I had to leave the office and the people involved with it, I cried, and it's the first time I've ever cried when leaving any of the many jobs I've had in the past six years!)

The Work-Study Program afforded me my first total experience in the legal profession. If it were not for its federal funding, I know Legal Aid would not have been able to afford to hire me. I am grateful to the Work-Study Program and hope it continues to be supported by the federal government, so I may continue my work: at Simmons College next fall and at Legal Aid again this summer.

Freshman English Major.

Under the Work-Study Program I am working at the Veteran's Hospital in Providence. Being a nursing major, this experience contributes a great deal educationally. Through this job I have become familiar with many aspects of a hospital before I enter the hospital through Simmons. Next semester when we begin our clinical work, I expect this work experience will have been a helpful introduction.

Sophomore Nursing Major.

I've had three Work-Study placements and they've all been good, growing experiences.

My freshman year I spent winter vacation in my alma mater—Peabody Veterans Memorial High School—in the main office as "assistant to the Open Campus Coordinator", in other words, as typist, file clerk, errand and messenger service, and school tour guide. I learned a lot about the bureaucracy and politics of school administration and it led me to first seriously consider a career in administration and supervision or curriculum development.

Last year I worked in the Career Planning and Counseling Center (at Simmons). I give credit to the experiences and the people connected with the Center for a lot of the changing and growing I've done. I did the expected typing and mimeographing and phone-answering but I also worked on projects and felt a sense of accomplishment and worth because of the input I had an opportunity to contribute and the value I felt as a *person*, not just a student. It was a stimulating environment in which to work—I was exposed to a lot of resource material and I learned a lot of facts, about myself, and about other people.

This winter vacation I am teacher-aiding at the Hogan Regional Center in Danvers in a class with adolescent boys—retarded, handicapped, autistic, etc. It's the first teaching experience (besides tutoring and camp-counseling) I've had and I'm finding it really rewarding. I'm actually teaching the class on my own part of the day and I can see progress I've made in my behavior and in theirs. I'm getting great supervision and feedback from the teacher—something I think is important.

After all the theory I've had in psychology I'm finally seeing the application. I'm becoming more of a realist and less of an idealist; I'm questioning my decision to be a teacher and I'm re-evaluating my goal of what I want to attain if and when I teach disturbed children. I might be the teacher, but I'm learning *so* much.

I'm enthusiastic about my work-study experiences and I know I would never have been able to do these things if it wasn't for the attractive "you only pay 20%".

To make any experience valuable and worthwhile, it has to give a sense of accomplishment. I don't think I would be as positively minded if I hadn't been able to work in places that interested and motivated me. Working as a hospital file clerk, for example, wouldn't have made me feel I was gaining anything or learning from the experience.

Junior Education Major.

I am more than happy to relate to you how wonderful my work-study job has been.

I work at the Christoper Columbus Community Center teaching arts and crafts to children between the ages of 6 and 14.

It is a fantastic job because I am able to work with and get involved with many children. I am not just standing on the outside looking in.

I think this job will be a very large and important part of any decision I shall make in deciding on my career as a teacher.

I have had close association with many children of all kinds and each with their own problems. So, I will be able to make my future decisions with good first-hand experience to rely on.

So, as you can probably tell by now, I love my work-study job and I do definitely feel that I will benefit from it in regard to my future.

Sophomore Education Major.

This summer I worked under the Work-Study Program at Southbury Training School with mentally retarded children. It was my first experience with retarded children. The experience gave me a new impression of the mentally retarded and inspired me to think about that area of work as a career.

This past semester I have been working with inner city children in an after-school program. The jobs available through the Work-Study Program gave me new types of job opportunities, jobs that interested me career-wise and jobs that also broadened my interests. The experience gained through Work-Study has been valuable in testing my desires and my abilities in working with young children. The experiences are also valuable to my future career in that they give me the confidence to know that I am capable of handling this type of a job.

Freshman.

I am presently at the Metropolitan Cultural Alliance at 6 Beacon Street. The Alliance is an organization made up of over 80 cultural institutions in and around Boston. Aside from necessary secretarial work, I have been involved with setting up programs, receptions, functions that we host for our member institutions. Also, some graphic and advertising lay-out work which is part of my major. .

I enjoy the people I work with, my surroundings and my job. I am very appreciative of this program and that I was able to benefit from it.

Senior Publication Major.

Being a participant in the College Work-Study program, I am employed with the Office of Development at Simmons College. I am also currently working there during vacation. Although my job has no connection with my personal future career which is psychology, I have still found it to be somewhat educational. I have learned a little about how Simmons College works and the great needs required for a school to be efficient and effective. Indeed, a work experience related to my future career would be quite a bit more practical and beneficial to me. However, mainly because of its convenience while I am living at Simmons, it suits my purposes satisfactorily . . . to make some extra money.

Junior Psychology Major.

Through the work-study program, I am employed at the Boston Public Library. Although I do not plan to pursue a career in the field of library science my work experience there surely seems educationally valuable to me. My job title is "general shelver" and "the paper-back books girl". This means that I simply shelve books and make sure they are in their proper order. Since the job is neither physically nor mentally demanding, I have plenty of time to pick up and skim through "hundreds" of books a day. The atmosphere is relaxed and quiet; most employees are college students. We all enjoy reading interesting parts of books to each other and discussing what we've read. I have become familiar with many more authors than I'd "known" before, and when books are being discussed in classes, I find myself saying so many times, "Yes, I've heard of that book . . ." Since I am planning to major in English this exposure to so many books will surely be helpful.

I am also planning to work with children in some way and what I particularly enjoy are days when I work in the Children's Room. There I am able to suggest some of my childhood favorites to little kids asking for "good books". I also learn from the kids their special likes and dislikes. All in all, I find working at the Library extremely enjoyable. Many interesting people come in and since I am out in the stacks all day, I get to meet and talk with these people. Working on rainy days is one of my favorite experiences because on these days children come in to play, drunks come in to sleep on the floor and stray dogs come in to dry off. The whole atmosphere of the Library changes from studiousness to something more human.

Working at the Library makes me feel fuller, warmer, and richer and more of a part of Boston. Not only do I attend school there, but I also work in the community there. Thus, my reaction to the Work-Study program is a positive one and I do appreciate having been chosen as a participant.

FRESHMAN ENGLISH MAJOR.

From September to January 2 I worked as a tutor and teacher in the Beacon School. The experience I received here toward my future teaching career was invaluable. It was a wonderful opportunity for me. Because of the work-study plan, I was able to obtain a "teaching" job and at an excellent salary. I needed desperately to work this semester. It never occurred to me last August that I would be able to work at something useful and meaningful and also receive a good salary. I am very grateful and most appreciative to you at the Financial Aid Office for having this work-study plan and allowing me to participate in it. I hope many more Simmons students are as fortunate.

GRADUATE STUDENT M.A.T. PROGRAM.

My first work-study experience was very satisfying financially, but my duties were purely clerical at the Dept. of Research at Security Personnel in the Government Center. However, the rest of my work-study jobs I feel were quite valuable. The last two summers at the Southern Maine Regional Planning Commission were certainly far superior to any position I could have obtained on my own. I learned quite a bit about town planning and especially about map-making.

I consider by present job as an investigator for Consumer Protection the best job I have ever had, especially since my major is management. I feel that it has given me, a prospective business person, a chance to view the other side of the coin—the consumer.

I hope this has helped you measure the work-study program. This program has given me many job opportunities and learning experiences.

Junior Management Major.

My work study experience to date has not been extensive. In January of 1972 I w[illegible] for the U.S. Department of Transportation in Kendall Square. The dutie[illegible]d were not extremely exciting; the job was basically straight typing. However, I am not complaining; my main objective was to make money, which I did.

During the upcoming semester I will be starting my second work-study job. It will be at the Beth Israel Hospital, again doing chiefly secretarial work. I have begun training there, and can safely say that again the work will not leave me uncontrollably stimulated. But since my main objective has not changed in the past two years, I am merely grateful to have been allotted the funds.

It would be nice if, in the future, my work-study jobs related more to my major. However, since my major is philosophy, I cannot think of any job experience which would truly relate to it, short of being able to work for a company which would want me to sit on a mushroom all day and act as its chief philosopher. If you hear of such a job, I would be grateful if you would contact me immediately.

Seriously, I think the work-study program is a very worthwhile program and I hope you both continue in your efforts to keep it going smoothly.

Junior Philosophy Major.

I am in the graduate program of Library Science and am on work-study at Boston Public Library. Work-study has allowed me to get a job and experience which I am sure I would not have been able to achieve on my own. It has also created a job possibility upon my graduation from Library Science in August, 1974. Thank you for the work-study program.

Graduate Student Library Science.

My college work-study program with the Visiting Nurse Association of Boston has proven to be one of the most important of my educational experience at Simmons College. At the V.N.A. I work in public health nutrition—the field in which I hope to obtain a Masters degree. Graduate schools place great weight on experience in the field and normally I would have to serve a hospital internship, work for several years and then apply. Due to my varied work experiences, particularly my one at the V.N.A. it is highly likely that I will not have to wait to apply to graduate school. My chances of acceptance, due to the amount of actual work I have done, are very good.

Thus for me the work-study program has succeeded highly in many areas—that of income, education and practical experience. I do feel, however, that the proper choice of job is the limiting factor. Without the right job, the entire experience would be one only of monetary enrichment.

Senior Home Economics Major.

It's funny, I never even though of working at the Y.M.C.A., but the job sounded like me so I applied for it. Now my work at the Roxbury Y is one of the things I enjoy most about Boston. The people are down-home people. It's like they put in an extra ounce of care about you as an individual and take out all the mechanical business-like front that most jobs seem to have.

I love to work with kids and this is a nice opportunity. Being a counselor in the "After School Program" allows me a wonderful chance to become involved with the kids on a personal—rather than teacher/student—basis. Children can make me feel very happy when I'm depressed. At work they do that constantly. A long time ago I decided that my goal must include children because they are our tomorrows. I feel my job at the Roxbury Y bringing me closer to that goal. The people at the Y have a very sincere interest in kids. Most of them are not at the Y just for the money or lack of another job. They are there because they have an interest. They enjoy what they are all about.

These are just a few of the many things that I like about the Y. It is often a very rewarding respite. I'm a frosh and it even helps to cure homesickness. I guess I should thank you because you are responsible for making it possible. Believe me, I do appreciate it.

Freshman—Undeclared Major.

Mr. O'Hara. Thank you very much, Miss Keegan. You begin with the sentence, "From my point of view, as a financial aid officer, the college work-study program is the most exciting student aid package we administer," and you finish up your statement with the sentence, "From the students' point of view, college work-study is a most successful student aid program."

I think that it is a pretty good endorsement you have given it. I was very interested that 80 percent of your jobs are off campus, and of course, you are located in the Boston metropolitan area, one of the major metropolitan areas of the country.

I think there is going to be a good deal of variation in that. For instance, the witness who appeared before you is an avid supporter of work-study and students working. In Carbondale, Ill., it is a different situation than it is in Boston.

There aren't, I am sure, as many opportunities off campus as there are in Boston, and you have no problem. You found, evidentally, an excellent source for jobs among the nonprofit organizations that are eligible agencies within the law.

Miss Keegan. Many more than we can cooperate with.

Mr. O'Hara. If you had more money for college work-study, you wouldn't have any real problem placing more students; right?

Miss Keegan. Right.

Mr. O'Hara. Again, you find these nonprofit agencies happy enough to find the other 20 percent?

Miss Keegan. Most. By and large there are a few exceptions, but by and large the 20 percent has seemed workable.

Mr. O'Hara. I have been concerned, and early witnesses expressed concern about the emphasis now placed on loans, with students finishing school under a staggering burden of indebtedness. And all too often it is at a time when they are least able to shoulder that burden.

They are fresh out of school. In fact, they haven't got a job. They may or may not get a job in their chosen field, and if they do it will probably not be a very good one. At the same time, they may be starting on family responsibilities. They want to establish an independent home for themselves. They have rent, furniture, all of the expenses descending upon them at one time.

And at this time they say now the time has come to start paying back the money you borrowed to go through school. I am concerned that we are saddling these people with these huge debts, mountains of debt, encouraging them to go in debt.

Then we have a forgiveness feature under this law. It is completely different from our NDSL forgiveness feature. It is a self-selecting forgiveness feature. If you have got a mountain of debt and you decide you don't want to pay it off, you file a chapter 11 bankruptcy, or whatever.

On the other hand, almost every student who has borrowed money, 99 percent at least, are clearly bankrupt when they are finished. They don't have any assets and don't have a job. All they have is debts and if they want to go through the wash, they can do it.

So it is a self-selecting forgiveness feature. The conscientious student who feels a moral obligation will slave away trying to pay it off and the sharpshooter, the cornercutter, will wash it out. I don't know if that is the way I want to see forgiveness work, but that is the way it can work under our present system.

Miss KEEGAN. Fortunately, my experience with this has been 4 years going on 5 years, there has been only one bankruptcy case. But I have found, Mr. O'Hara, that our students and even prospective freshmen, who, after she received her aid package, said, "Could I cancel my loan that you have offered me and could I have work-study instead for the summer?"

This seems to be the student viewpoint.

Mr. O'HARA. I take a very positive view of young people. I have overstated the bankruptcy case but I think young people are very concerned about going into debt. They don't want to go into debt. If there was another choice available to them they would take that choice.

If they could get a part-time job and help pay their way that is what they must do. I am sure almost all of them would prefer that. The loan programs are popular because they are a last resort. That is what you are left with and they are popular with the OMB because they don't show up in the Federal budget until later.

So they are popular not because they are better. Nobody has ever suggested that.

Mr. QUIE. You did give excellent testimony. I have one question: To what extent is the matching less than 80 percent? As I understand, you can stretch your money out to more students if the nonprofit organizations or public agencies off campus would pick up a greater percentage. To what extent is that being done?

Miss KEEGAN. We have not done this. Radcliffe did it one year and I think it was not successful, but I cannot testify to that. We are also in a competitive situation with so many different schools and different pay rates in the 20 percent share. I think we would have trouble placing Simmons students in some Boston agencies asking the agency to pick up more than the 20 percent because the other institutions do.

Mr. QUIE. There have been recommendations that we remove the low-income factor, the greatest need factor, in the law. Do you think if we expanded the opportunity as some of the witnesses recommended, and let higher income people seek the benefit of work-study that we could then reduce the Federal share?

Does that 80 percent optimum have to stay or is there some other figure that might work?

Miss KEEGAN. It may. I think for some of the agencies—20 is an arbitrary figure—this might be a hardship. Again, I am referring specifically to off-campus agencies. This has been our experience.

Thirty percent perhaps. Most of them could come up with this. It would make more students eligible.

Mr. QUIE. You don't have any judgment on where that would fall?

Miss KEEGAN. I don't.

Mr. QUIE. I recognize the competition. That is a good point.

Let me ask, on page 2 of your testimony you mentioned social worker students. What kind of background do they have?

Miss KEEGAN. As I recall, one is a minority student who came right from the undergraduate public university into our graduate program in social work, which specializes in psychiatric and medical social work. He was doing his field placement.

The other is a female, married graduate student who is on a full-time basis because this works best for continuity of study in our graduate social work program, and she and her husband are struggling. I believe he is a part-time student also with, I think, one or two children.

Normally, I suspect, under most circumstances she would be a part-time student, she is a full-time student. These are these particular two students.

Mr. QUIE. The point you are raising concerns summer employment in 2 fiscal years. Do you intend to use the 1 fiscal year and obligate it for the next 2 months beyond it so you make your expenditures? Do you actually get money from 2 fiscal years?

Miss KEEGAN. Last year we borrowed from 1974 fiscal year to be used to start the summer 1973 program. This year, and we hope it will work out all right, we are going to get down close to the last dollar on June 30, 1974, but this has made many problems and made us hesitant to make some commitments.

We feel we don't want money left over. We want to spend it and yet we are working to the last dollar. We are not going to ask, hopefully this year, to borrow from fiscal 1975 funds.

Mr. QUIE. Do you think there needs to be change in authorization legislation to ease your problem, or do you think it would be taken care of if you knew further in advance the money you would have for the next fiscal year?

Miss KEEGAN. I think it could be done better if we knew in advance, then we could definitely plan on the summer program. We could take a look at where we are, what we will spend at the end of the academic year, count on what we would need to start our summer program.

The summer program I consider as one program of the workstudy which is coming in 2 fiscal years. This tends to be difficult. Now I realize that when work-study was on the January 1–December 30 fiscal funding this caused more fiscal problems, which is one reason why it was changed.

Mr. QUIE. Thank you, Mr. Chairman.

Mr. O'HARA. Mr. Dellenback.

Mr. DELLENBACK. Mr. Chairman, because there are other witnesses still to come, I will confine myself to one short line of inquiry with the witness. Thank you for your helpful testimony.

Would you be in favor of broadening the program so that, as has been suggested in some quarters, we have employment that is much more diversified in nature than at the present time? Could we perhaps go to profitmaking institutions who meet certain criteria? Would this be a good addition to the program?

Miss KEEGAN. I have given some thought to that, Mr. Dellenback, and I am not sure I have a very good answer because I think I have been on the fence on both sides of this question.

Mr. DELLENBACK. Why would you think it was not good?

Miss KEEGAN. I have problems with public funds helping staff profitmaking organizations. This is a personal opinion of mine.

Mr. DELLENBACK. Don't you think the advantage would be to the young people? That is the only justifiable reason for expanding.

Miss KEEGAN. Yes. Again, I have to draw my particular institutional situation where there are more nonprofit jobs than can possibly be filled. I don't have this problem at the moment anyway. And for this reason I would recommend staying with the nonprofit organizations who can't do an adequate job in my area without work-study students.

Mr. **Dellenback.** The principal thing then is that you have any number of nonprofit jobs that could be filled?

Miss **Keegan.** Yes.

Mr. **Dellenback.** And that leads you to come down on that side of the issue?

Miss **Keegan.** Yes.

Mr. **Dellenback.** One other area Mr. Quie opened up in part with you. Would it be desirable if we could bring about an expansion of the program and make it available to more young people by switching the percentage from an 80–20 percentage to a 70–30 percentage, or some other percentage?

Drawing on your experience with the agencies that have been putting up the 20 or so percent, are they sufficiently pleased with the program that they might be willing to go along with an increase in their percentage?

If they put up a third of the money and two-thirds of it came from the Government, would they still participate?

Miss **Keegan.** I suspect in my area yes.

Mr. **Dellenback.** It is a sufficiently good program that they would not be blocked out by a small increase in their percentage?

Miss **Keegan.** Yes.

Mr. **Dellenback.** Thank you very much.

Mr. **O'Hara.** Let me ask just one more question. The other witness mentioned problems that he felt cropped up and yesterday we had the same testimony in connection with this business that once the student has met the need as determined by the needs analysis he will be pulled off the job and someone else put in that place.

Has that been any kind of a problem with you?

Miss **Keegan.** Yes. It has been a problem. It has caused particular concern on our campus. When you make an award in a lump sum you may earn so much and arbitrate with the student that the job placement and dollar amount averages out to 10 hours a week.

In some weeks the student will work more than this and begin to run out of her money. We do keep, in our own office, a close watch on how the student's earnings are running, so we are able to tell the student well in advance that she is about to run out.

She works this out with her agency. This is a little problem in our office because we do keep track of weekly cumulative earnings very closely. Where it does cause concern is, I think we are saying to the needy student, you may do this much and no more, while we are saying to the more affluent student, the world is open to you, you can earn as much as you want. You can help dad. You can buy a second coat this week.

But we are saying to the needy student, at this point you have to stop. You are locked into this income. This, on our campus, does cause concern between the two groups of students.

I also have a lot of inquiries from nonfinancial aid students who want work-study jobs. There is quite a bit of envy for our nonfinancial aid students who don't qualify in any way for need, who want the job and the experience the needy students are getting.

Mr. O'Hara. Thank you very much, Miss Keegan. We appreciate your coming down to help us out again.

Miss Keegan. Thank you.

Mr. O'Hara. Our final witnesses today are spokesmen from the Office of Education, led by John Phillips.

The Commissioner on Education has indicated that the Office prefers to withhold testimony on legislative policy until a later point in the hearing. I think that is a perfectly proper decision on their part and I applaud the decision.

However, I did ask the Commission to send up people today to talk to us about work-study and next week to talk about cooperative education in terms of how the existing program is functioning.

As he has consistently, the Commissioner has cooperated fully by sending up one of the articulate executives of the Office of Education.

Dr. Phillips, would you please introduce your associates.

STATEMENT OF DR. JOHN D. PHILLIPS, ACTING ASSOCIATE COMMISSIONER FOR STUDENT ASSISTANCE, BUREAU OF POSTSECONDARY EDUCATION, U.S. OFFICE OF EDUCATION, ACCOMPANIED BY CHARLES M. COOKE, JR., DEPUTY ASSISTANT SECRETARY FOR EDUCATION (LEGISLATION); DR. LEONARD H. O. SPEARMAN, DIRECTOR, DIVISION OF STUDENT SUPPORT AND SPECIAL PROGRAMS; HUBERT S. SHAW, CHIEF, PROGRAM DEVELOPMENT BRANCH, DIVISION OF STUDENT SUPPORT AND SPECIAL PROGRAMS; AND NORMAN BROOKS, ASSISTANT CHIEF, PROGRAM DEVELOPMENT BRANCH, DIVISION OF STUDENT SUPPORT AND SPECIAL PROGRAMS

Dr. Phillips. I think perhaps those kind words should have been directed to my colleague, Mr. Cooke.

Mr. Cooke. Thank you, Mr. Chairman. You know Dr. John Phillips, who is sitting to my right, Acting Associate Commissioner for Student Assistance. To his right is Dr. Leonard Spearman, who is director of the division of student support and special programs.

To his right is Mr. Hubert S. Shaw, who is Chief of the Program Development Branch, and to his right is Mr. Norman Brooks, Assistant Chief of the Program Development Branch, all from the Bureau of Postsecondary Education.

We will proceed, with your permission, Mr. Chairman, by Dr. Phillips making his statement.

Dr. Phillips. Mr. Chairman and members of the subcommittee, it is a pleasure to be here today and to review briefly the history and operation of the college work-study program. The following statement is intended to be a brief overview.

However, we would be happy to respond to questions from committee members who might wish us to expand upon this written statement.

I might say here parenthetically that all of us are very grateful for the leadership of the chairman and members of this committee to begin these hearings at a point in time 14 months in advance of the expiration of these programs and to force all of us to do some careful disciplined thinking well in advance without the hot breath of the expiration of the authority on the back of our necks.

I. HISTORY OF THE PROGRAM

The college work-study program was enacted in 1964 as Title I, Part C, of the Economic Opportunity Act. From the effective date of that act until passage of the Higher Education Act of 1965, the college work-study program operated as one of the Office of Economic Opportunity's delegated programs and was seen as an integral part of the war on poverty.

During that period, a student could be found eligible for employment under the program only if he came from a low-income family and had demonstrated need. The program was administered by the Office of Education under a delegation of authority from the Director of OEO.

Organizationally, the program was housed in the Division of Student Financial Aid, which also administered the national defense student loan program.

In 1965, the Higher Education Act of that year terminated the authority of the Director of OEO over the college work-study program and transferred it to the Commissioner of Education.

That act also broadened the eligibility rules to incorporate all students with need. Needy students from low-income families, who previously were the only eligible students, were given preference for employment under the new rules.

Rather than being a segment of the war on poverty, the college work-study program explicitly became part of what was then called the "three-legged stool" of student financial aid—educational opportunity grants, college work-study and national defense student loans.

The Higher Education Amendments of 1968 formalized this change by repealing title I, part C, of the Economic Opportunity Act of 1964, and reconstituting the college work-study program as title IV, part C, of the Higher Education Act of 1965.

The Education Amendments of 1972 further divorced the program from its war on poverty origins by eliminating the statutory preference for students from low-income families and substituting the concept of greatest need.

In the words of the statute, priority was given to students with the greatest financial need, taking into account grant assistance provided such students from any public or private sources.

This amendment was made with the avowed intention of improving access to the program for students from middle-income circumstances and, more particularly, middle-income students enrolled in high-cost postsecondary educational programs.

The thrust of this amendment was that high-cost institutions would be able to command a larger share of the funds allocated by formula to a given State, on the grounds that students enrolled at such institutions have the greatest financial needs in comparison with students enrolled at lower cost institutions in the same State, and that larger awards of CWSP funds to the high-cost institutions which enrolled a higher-than-average proportion of students from middle-income circumstances, would permit an increased number of those students to command CWSP assistance on the grounds that they have the greatest financial need in comparison with other students enrolled at the same institutions.

This "greatest financial need" amendment took effect concurrently with other amendments which significantly expanded the number of postsecondary educational institutions that would be eligible to participate in all of the Federal student assistance programs, including the college work-study program.

As the number of institutions applying for CWSP funds expands, the Federal funds are redistributed to accommodate new applicants. Under these circumstances, "the greatest financial need" tends to remain concentrated among students from primarily low-income backgrounds.

II. OPERATION OF THE PROGRAM

The college work-study program is administered under agreements between the U.S. Commissioner of Education and 2,992 participating institutions of postsecondary education.

Under the terms of these standards agreements, the institutions are responsible for all student contacts, including the eligibility and selection of students for employment under the program, job placement, payroll administration, et cetera.

The Office of Education provides the institution with a specific amount to pay (1) a prescribed share of student earnings under the program, which is normally established as an amount not to exceed 80 percent of the total student earnings under the program, and (2) an administrative expense allowance which may not exceed 3 percent of student earnings.

A very wide range of jobs may be encompassed under the program, including work for the institution itself (except in the case of proprietary institutions) and work for public or private non-profit organizations.

The statute prohibits work to be performed for profitmaking enterprises and also prohibits work which results in the displacement of regularly employed workers. In addition, the program regulations prohibit work which involves partisan political activity or for which there is a partisan political employment screening.

Institutions apply once a year for the college work-study funds which they estimate will be needed to support the employment of their students in the following academic year. These applications are submitted to the appropriate Regional Offices of the Office of Education, where they are reviewed by panels of experts in student financial aid.

The regional panels recommend to the appropriate Regional Director of Postsecondary Education a level of funding for each institution which, in the judgment of the panel, most accurately reflects the total need of the students at that institution, considering other sources of funds likely to be available for such students.

Upon approval by the Regional Director of Postsecondary Education, these recommended levels were totaled by State, and the funds available for any State are pro-rationed among the institutions in that State.

The appropriation for the CWSP is divided among the States according to a legislated formula. Two percent of the appropriation is set aside for institutions in Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

An additional amount is reserved for the employment of students who reside in American Samoa and the Trust Territory of the Pacific Islands but attend eligible institutions elsewhere.

Ninety percent of the remainder is distributed among the States according to factors specified in the statute. the tripartite formula for distribution of 90 percent of the funds is as follows:

One-third is distributed among the States according to each State's proportionate share of the aggregate full-time enrollment in institutions of higher education; one-third is distributed among the States according to each State's proportionate share of the aggregate number of high-school graduates; and one-third is distributed among the States according to the numbers of related children under 18 years of age in families with annual incomes of $3,000 or less.

Each of these factors is determined by the Commissioner of Education on the basis of the most recent year for which satisfactory data are available to him.

The remaining 10 percent of the funds are used, first, to raise each State to the level of its original allotment for fiscal year 1972. Any funds remaining available after this procedure are then distributed according to regulatory criteria which provide that the remainder be used to raise all States to a uniform minimum percentage of the total amounts recommended for funding to the institutions in that State.

Before the final approved amounts are determined. the institutions have two opportunities to appeal. The first appeals are based upon the panel and regional office funding recommendations, and are directed to the regional offices of education.

Any further appeals are considered by a national appeals panel comprised of financial aid officers and USOE student assistance personnel from both regional and central offices.

Mr. O'Hara. Mr. Phillips, we are going to have to recess. I am very sorry about this. Would 1:30 be convenient for you to return?

Mr. Phillips. I would be happy to be back at 1:30. I think all of us will be able to make ourselves available.

Mr. O'Hara. The Chair then declares a recess of the subcommittee until 1:30.

[A recess was taken from 12:10 p.m. until 1:30 p.m.]

Mr. O'Hara. The subcommittee will come to order.

Dr. Phillips, when we left off, you were at the bottom of page 6.

Mr. Phillips. That is correct.

It is apparent that if equitable and uniform distribution of funds are to be achieved, the review by the regional panels must be of the highest quality. To insure that this level of quality is attained, the applications must contain data which is compatible throughout the State for all institutions.

In addition, these data must be carefully edited by the regional staff and later reviewed by knowledgeable panelists. In recent years, the volume of eligible institutions has greatly increased the workload of the regional office staff, who are charged both with the responsibility of checking the data for statewide compatibility and of editing the applications, and the regional review panels who must, in a timely manner, make their recommendations to USOE.

In light of this increased workload under the current system, the USOE has been examining various types of alternatives to address this problem. An example of these alternatives is action in the State of Oregon.

During the 1973 session of the Oregon Legislature, the State instructed the State educational coordinating council to review all institutional applications for Federal programs of student assistance prior to their submission to USOE.

In cooperation with the spirit of this State law, the regional review panel for institutional applications from Oregon convened in the coordinating council's offices with representatives of public and private, 2- and 4-year, trade and technical institutions, appropriate State agencies, and the regional office of education. Recommendations of this State review panel were forwarded to the regional director of postsecondary education.

A number of positive features exist in this type of State involvement in the application and review process. For instance, a uniform data base is available in most States, which would be extremely helpful in the evaluation of the applications to insure equality of consideration.

Furthermore, there is the potential of broadening the representation of the review panel to extend to a greater range of the postsecondary educational community within a State.

There are, however, possible disadvantages from State involvement. For example, institutional autonomy could be restricted in those States where State agencies are extremely active. Additionally, State priorities may differ considerably from those of the Federal Government, and thus, State-approved institutional applications might result in a distribution of funds which is contrary to the Federal intent for distribution of funds.

However, a desire on the part of some State officials for positive State-level activity in the campus-based student assistance programs is further reflected in one of the recommendations of the recent USOE National Work Conference on the State-Federal Partnership Assistance.

That conference recommended that the regional review panel process should be replaced by a broadly representative State review process which would produce recommendations for institutional funding to be transmitted to the appropriate regional office of education.

I might just add parenthetically that we had a somewhat different reading of the temper in Dallas this last week at a National Work Conference on the Institutional-Federal Partnership in Student Assistance. We may want to talk a bit about that.

In addition to alternatives which would affect the review process, USOE is actively addressing the problem of data availability, collection, and analysis, and the impact of such data upon the current review process.

Region V (Chicago) is designing a computerized data processing system to facilitate the review of institutional applications by eliminating the manual editing of application data while providing the regional review panelists with uniform information to assist in their deliberations and recommendations to the regional director of postsecondary education.

When fully implemented, this system will assist not only in the review process, but also in the ongoing monitoring of CWSP.

Historically, the most accepted measure of the demand for CWSP funds has been the funding levels approved by the regional offices on the basis of panel recommendations. These approved funding levels have been based upon the following assumptions: (1) that CWSP is only one of several programs of student financial aid and approved funding levels are therefore conditioned by the estimated availability of other student aid funds, (2) that only needy students are eligible for employment under the program, and (3) that the amount which any individual may earn under the program is limited by the amount of his need, institutional rate of pay, and the number of hours available to work, while taking into consideration all other funds available to him from such sources as his parents, public and private scholarships and loans, grants, and other employment.

Mr. O'Hara. Could you hold at that point? "The approved funding levels have been based on the following assumptions: (1) that CWSP is only one of several programs."

Dr. Phillips. Right.

Mr. O'Hara [continuing]. "And approved funding levels are therefore conditioned by the estimated availability of other student aid funds."

Dr. Phillips. Right.

Mr. O'Hara [reading]:

> (2) that only needy students are eligible for employment under the program, and (3) that the amount which any individual student may earn under the program is limited by the amount of his need, institutional rate of pay, and the number of hours available to work, while taking into consideration all other funds available to him from such sources as his parents, public and private scholarships and loans, grants and other employment.

That sounds like the way you measure CWSP need is sort of at the end of the line.

Dr. Phillips. You mean that it is the last factor we take into account?

Mr. O'Hara. Yes; you measure the needs for other programs, taking into account how much is estimated from CWSP.

Dr. Phillips. CWSP is treated as one of the three programs for which they apply simultaneously in the tripartite application—SEOG, work-study and NDSL are put together. The effort in the application is for the institution to develop a fairly systematic analysis of what their overall needs are going to be and what their overall resources are going to be in framing their summary application for funding under each of the three campus-based programs.

Mr. O'Hara. Did you estimate the needs for all the other campus-based programs?

Dr. Phillips. In the same application, and each is conditioned by the others.

[The table follows:]

TABLE 1.—COLLEGE WORK-STUDY PROGRAM FISCAL YEAR[1]

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Original request[3]	NA	NA	155, 900	174, 000	233, 000	274, 970	321, 720	345, 642	453, 544	543, 650	614, 234
Approved funding levels	9, 400	76, 488	139, 500	159, 000	198, 000	219, 328	234, 386	305, 569	407, 655	489, 650	528, 802
Total federal funds available[2]	9, 400	76, 488	139, 500	131, 000	162, 000	169, 415	199, 562	237, 400	2[illegible]0, 200	270, 200	270, 200
Gross compensation[2 3]	7, 400	64, 000	121, 200	132, 000	145, 194	189, 114	240, 558	286, 024	325, 540	325, 540	325, 540
Federal share[2 3]	6, 660	57, 600	109, 080	118, 800	127, 770	151, 291	192, [illegible]46	228, 819	260, 430	260, 430	260, 430
Institutional share[2 3]	740	6, 400	12, 120	13, 200	17, 424	37, 823	48, 1[illegible]2	57, 205	65, 110	65, 110	65, 110
Administrative expenses[2 3]	24	353	915	1, 050	1, 113	4, 817	7, 21[illegible]	8, 581	9, 770	9, 770	9, 770
Number of students[3]	47, 723	198, 453	289, 476	314, 159	357, 625	404, 598	430, 000	545, 000	560, 000	560, 000	560, 000
Average earnings[3]	155	322	418	420	406	467	560	525	580	580	580
Number of institutions	720	1, 288	1, 534	1, 700	1, 856	2, 196	2, 369	2, 524	2, 696	2, 992	3, 278
Average grant per institution[2]	13	59	91	77	87	77	84	94	100	90	82

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[1] Year beginning July 1 and ending June 30. Year in which funds are available regardless of the year for which appropriated.

[2] Thousands of dollars.

[3] For fiscal years 1965 through 1970 entries are actual as taken from annual fiscal-operations reports; for fiscal years 1971 through 1975 entries are estimated.

Mr. O'Hara. Thank you.

Dr. Phillips. The history of approved funding levels is shown on the second line of table 1. In reviewing this table, it should be remembered that the program operated under the OEO eligibility rules during 1964 to 1965 and the first half of 1965 to 1966; standards established by the Higher Education Act of 1965 from 1966 to 1967 through 1972 to 1973; and under further revised standards (extension to half-time students) contained in the amendment of 1972 which became operative in 1973 to 1974.

Considering the 1966–67 academic year as the first normal year under HEA eligibility standards, the level of demand for the program may be said to have increased in 8 years from $139.5 million to $528.8 million.

III. EVALUATIONS OF THE PROGRAM

The only formal evaluation of the college work-study program has been carried out by the Bureau of Applied Social Research at Columbia University under contract to USOE's Office of Planning, Budgeting, and Evaluation.

This study was based upon data from the 1969 to 1970 academic year and, while somewhat dated, it does provide a representative profile for the CWSP prior to the greatest need amendment. One of the major conclusions of the study is the CWSP is achieving its primary goal of helping needy students from low-income families to meet the costs of postsecondary education.

The study found that:

(1) over half of the CWS students came from families with annual incomes of less than $6,000.

(2) Nearly 25 percent of the CWS students came from minority backgrounds.

(3) On the average, CWS employment covered 54 percent of the basic expenses (tuition, fees, room, and board or commuting costs) of attending public institutions and 27 percent of the costs of attending private schools.

(4) In most instances, the CWS earnings were packaged with a grant and/or a loan.

(5) In general, the CWS job was on campus, involved 13 hours work per week, and provided a mean wage of $1.74 per hour.

(6) Exclusive of summer employment, mean earnings for CWS students were $611.

Nearly 20 percent of the students surveyed for the study indicated they would have been unable to attend college without the benefits available through the CWS program.

In addition, almost half of all CWS participants noted that the sum of all financial aid from other sources, plus any parental contribution, would have been insufficient to meet basic college expenses.

To make up this difference, CWS students apparently received income from other sources, including savings, loans, and other jobs. Using student-cited advantages and disadvantages of their CWS jobs, the researchers note that nearly 70 percent said their job involved at least some responsibility; and, even though half of them would have preferred another job, 88 percent said they were at least somewhat satisfied with their CWS positions.

Half of the students maintained that they were, in fact, very satisfied with their CWS employment.

The survey asked institutional representatives to describe both good effects and problems with CWS on their own campuses. Over 80 percent of the institutional spokesmen said that the CWS program had enabled them to assist more students from low income families to provide them with on-campus job opportunities.

An even larger percentage, when asked about the nonfinancial effects of CWS on students, indicated a belief that CWS had helped students to develop a more positive attitude toward work responsibility and also to develop knowledge and working skills which might be useful in their careers.

Only 1 percent of the reporting institutions believed CWS left students with too little time for their studies. On the other hand, 25 percent of the students indicated that CWS employment left too little time for study.

Almost 70 percent of the CWS administrators believed the CWS program to be very successful on their campus and over 80 percent would definitely expand the CWS program if additional funds were available.

The study discovered some problems with respect to the range of employment opportunities, the efficiencies of program operations, and the Office of Education's funding allocation processes.

The study also noted at least some possibility of sex discrimination in job placement and wage levels. All of the problems noted in the study are under careful review to determine the extent of the difficulties and the nature of corrective action to be taken.

Some specific findings in this area were: (1) Over 60 percent of the institutional administrators viewed the program as a means of maintaining normal operations on their campuses and over 45 percent indicated that CWS students had been placed in newly created positions which might otherwise have been filled by new permanent employees. The law requires that CWS jobs must not result in the displacement of employed workers.

(2) When asked about the type of student who is given preference in CWS jobs, almost half said they generally gave preference to whomever applied first. Such practices could work to the detriment of the most disadvantaged students who tend to be later applicants to college and for work.

Sixty percent of the school administrators said they gave preference to entering freshmen and about half said they gave preference to minority students, especially at 2- and 4-year private institutions.

(3) Over 80 percent of the institutional administrators participating in CWS said they had at least some students on their campuses who are eligible for CWS, but who did not apply. This was especially true at the public institutions participating in the program.

While the employers surveyed in the study were not necessarily representative of all CWS employers, over 80 percent of those who did answer the questionnaire felt that CWS developed working skills which might be useful in a career and also developed positive student attitudes towards work responsibility.

Approximately half of these employers stated that CWS had increased their department's or agency's understanding of college students and had enabled them to reduce their own operating costs.

Two-thirds of the on-campus departments or off-campus nonprofit agencies said that employing CWS students had permitted them to expand their operations. Employers who appeared most satisfied with the program were those working closely with the schools, who had a high demand for CWS employees, and who provided job opportunities requiring high skill proficiency.

The Columbia study concluded that CWSP was achieving its primary goal of helping needy students, that the majority of students were satisfied with their work opportunity, and that the program was working in concert with other aid programs to meet the financial need of the students.

Within the context of these general conclusions, the investigators observed, however, that "many students are spending up to 15 hours a week at jobs which are routine and yield little in the form of long-range benefits.

Similarly, many institutions are not effectively utilizing the program to accomplish the objectives of educating students and preparing them for productive futures.

The concern about "meaningful work" expressed in the Columbia study reflects a central tension within the CWS program which might be best phrased as the following question: Is CWSP intended as a program to provide any available work opportunities which assist students in meeting their costs of education, or is it intended to be a program to provide work opportunities directly related to study or career goals which also assist students in meeting education costs?

Advocates of the former viewpoint contend that there is "dignity" in any work activity, and that employment of any kind is, of and by itself, a worthwhile learning experience. They further argue that the population served by the CWS program reflects a multiplicity of needs from a variety of backgrounds and that the purpose of the program remains primarily to help students with financial need, while teaching them the responsibilities of work.

Advocates of the latter viewpoint contend that CWS employment should, whenever possible, be directly related to future career aspirations of the student, and, at a minimum, should be a "meaningful" experience as well as income producing.

In summary, the function of the college work-study programs remains that of providing financial aid to needy students in postsecondary education. From its inception in 1964, as part of the "war on poverty," this program has provided work opportunities to approximately 2 million students.

The CWS program makes an important contribution to the three parts of student aid: grants, work and loans. In fact, nearly 20 percent of the students surveyed in the Columbia study indicated they would have been unable to attend college without benefit of the college work-study program.

While there still remains the central tension over the issue of how "work" is defined and whether or not CWS should provide a "meaningful educational work experience," the Columbia study reported the important fact that students have a high degree of satisfaction with the current program.

At this point, Mr. Chairman, I will be pleased to answer any questions from members of the subcommittee, relying heavily on the assistance of my able colleagues.

If you would like to, we might take just a moment to look at these tables and run through them quickly. The line that I called attention to in the written statement is the approved funding levels line showing the growth of the program, or the demand for the program over the last 8-year period.

There are a number of other interesting data lines there, particularly the number of students served from year to year, the average earnings line, the number of institutions participating in the program, the average grant per institution, items which I think may be of interest to the committee.

Also, we put together a couple of brief tables, with selected States to give you an idea as to the variety of funding levels, the problem of the State percentage and the State allocation formulas.

[The table follows:]

TABLE II-A.—COLLEGE WORK STUDY PROGRAM, FISCAL YEAR 1974 FUNDING

[Fiscal year 1974]

	Panel recommended	State allotment	State percentage	Number of institutions participating	Average institutional award	Number of students[1]	Average Federal per student[1]
California	$53,810,202	$24,362,022	45.273983	249	$97,840	50,300	$481
Florida	10,144,963	7,377,272	72.718569	68	108,489	15,300	481
Illinois	30,303,331	13,719,525	45.273983	131	104,729	28,400	481
Indiana	7,893,667	5,396,896	68.369947	48	112,435	11,200	481
Michigan	20,397,463	9,500,374	46.576253	92	103,264	19,900	481
New York	37,775,569	19,263,427	50.994405	229	84,120	39,800	481
North Carolina	13,269,811	8,181,440	61.654532	120	68,178	17,000	481
Oregon	8,639,286	3,911,349	45.273983	40	97,783	8,100	481
Pennsylvania	16,996,113	12,087,462	71.118978	143	84,527	25,100	481
Puerto Rico	3,534,464	3,534,464	100.000000	19	186,024	7,300	481

[1] Estimated.

TABLE II-B.—COLLEGE WORK STUDY PROGRAM, FISCAL YEAR 1975 FUNDING

[Fiscal year 1975]

	Panel recommended	State allotment	State percentage	Number of institutions participating	Average institutional award	Number of students[1]	Average Federal per student[1]
California	$57,949,617	$23,237,051	40.098714	294	$79,038	48,300	$481
Florida	10,986,437	7,480,097	68.084830	70	106,858	15,550	481
Illinois	32,062,149	12,412,619	38.714245	147	84,439	25,800	481
Indiana	8,923,246	5,396,896	60.481309	58	93,049	11,200	481
Michigan	18,860,274	9,321,970	49.426148	94	99,170	19,400	481
New York	41,204,876	19,443,777	47.188049	298	65,247	40,400	481
North Carolina	13,704,380	8,181,440	59.699454	126	64,932	17,000	481
Oregon	14,894,648	5,766,350	38.714245	38	151,746	12,000	481
Pennsyvania	19,145,867	12,087,462	63.133532	152	79,622	25,100	481
Puerto Rico	5,717,126	5,027,211	87.932487	25	201,088	10,400	481

[1] Estimated.

Mr. O'Hara. Let's get very quickly at that, if we can. I think I know the answer to this, but I want it on the record. What accounts for the differences in State percentages; that is, the percentage of the panel recommendation in each case? And what accounts for the variation between 72 percent in Florida as compared to 45 for Oregon?

Dr. Phillips. First of all, the amount of money is determined by a statutorily prescribed State allotment formula which bears no necessary relationship with the assessment of need for these funds within institutions in a given State.

In other words, there is an amount of money——

Mr. O'Hara. Two parts of the formula—one of them has to do with high school graduates, the other has to do with college students and one of them has to do with income levels. Of course, they could all be unrelated to the need of the student.

Dr. Phillips. That is right. Therefore, you can have one State with a large concentration of high-cost institutions which have a very high need for financial aid. For example, their total need would represent a very much larger total than, say, another State with a large concentration of low-cost institutions.

It has nothing to do with need. You come out with high and low percentages. It is just a matter of matching up figures.

Mr. O'Hara. Also, how much attention the institutions in a particular area pay to the program, whether they actively push it or they don't.

Dr. Phillips. True.

Mr. O'Hara. We have had a concern expressed to us by several witnesses, and indeed I have written a letter to the Commissioner some weeks ago about the problem of the late allocations.

Here is the appropriations bill. We go into forward funding. God help us if we haven't gone into early funding, and still they don't get the allocations until May.

Dr. Phillips. A couple of observations on that which I might make and then I might refer to my colleagues here.

First of all, it is a very complex system. For the actual award of these moneys we do go through a fairly careful process of not only editing the applications but also providing suitable opportunities for institutions to appeal at both the regional and national levels if they are dissatisfied with the outcome of the review.

As long as you are on an October–November application timetable that can take you up to January or February just to get all the appeals processed. You have got to have everything in place before you can run your first tabulation, including every institution in the whole country before you can start running.

The State allotment formula that we have just alluded to does involve some fairly complex kinds of data collection, analysis, storage, and then in the process you have to go through about five different data runs on the computer.

We do have a very large number of institutions and it is constantly changing. We have to go against the President's list of who is eligible, who has lost eligibility, who is coming into the program and whether or not they be eligible next year.

It is a very complex kind of process. We have moved this year to try to shortcut as much as we could and we were successful in moving up the date at which the institutions received the information upon which to develop their award packages.

We moved that up by 29 days from last year by using the State percentages as the basis for congressional notification. We know that isn't good enough and it is our objective within the Office of Student Assistance to move the entire process forward so we can assure delivery of at least the State percentages as a basis for self-calculation by the end of the third quarter of next year, which would put them in March.

It is just something we have got to work hard at to try to shorten down the time lines and get the resources organized and marshaled and working efficiently.

Mr. O'Hara. I am going to declare a short recess. During the recess you can be thinking about the next two questions I am going to have. I don't want you people taking policy positions. I think it is very wise that you are not.

But, what mechanisms could we adopt to get all this information out earlier? Maybe there is a range of alternatives, without your endorsing any particular alternatives. Perhaps we should change the formula. That may be the easiest way. I would like you to think about a few alternatives.

Second, we have run into this problem that in effect, the work-study year is not [illegible] fiscal year. You have summer work-study and school work-study, and the fiscal year comes right in the middle of the summer work-study, at least part way through.

How might we approach that problem as a practical matter because it does cause some difficulties.

And finally, something about some work-study carryover at institutions. I know we have a certain amout of flexibility as between work-study and SEOG, but what about a work-study account carried back and carried forward at the institution, because, as one witness told us, they ran out of money in the springtime before they finished the school year and had to let go of all their oncampus work-study people.

Then I have run into other that say it turns out they are nearing the end of the school year and they have leftover work-study money, so right away, they try to use it up. I think that is a problem.

The committee will stand in recess.

[Whereupon, a brief recess was taken.]

Mr. O'Hara. The subcommittee will come to order.

Dr. Phillips. Mr. Chairman, in response to your first question about ideas that we might explore for accelerating the delivery process on these moneys. I think it is important to point out that basically the process as it is presently established takes 6 months to complete, and while we can imagine a variety of ways in which we might be able to apply additional resources to shorten various steps in the process by a few days, it is basically a sequential process, each step has to take place in sequential order and it is very tough to imagine a situation in which you could reduce the overall time span to much less than 6 months.

One thing we can do, and we are working on for next year, is to start the process earlier so we could complete it earlier. In other words, get the application materials into the hands of the institutions around the first of September, allowing 30 days for them to complete the applications, begin the whole process October 1 instead of early November, and this could conceivably put us in a position to complete the process, as I said, by the end of the third quarter.

The next logical question, it seems to me, would be to ask what are the things that take the most time. One of them is very careful individual editing and review of every institutional application.

And here we get into some very important trade-offs. How important is it to try to verify all these figures and make sure they are reviewed in detail by a panel of experts, and that each institutional application receives this kind of careful personalized review?

Second, how important is it to maintain different levels of appeal for institutions on their applications? We have been working for a long time on the assumption that it was very important to guarantee the right of institutions to appeal the decisions recommended by these panels and approved by the regional offices.

This whole appeals process takes about 60 days, including both regional and national appeal panels. And then, beyond that, you get into a whole series of technical things. Everything has to be in place.

In other words, the last national appeal has to be resolved and every institution has got to be willing to settle, as it were, before you can begin the business of processing the grant awards.

And that process, just to get through the determination of State percentages, with the State allotment formula, the 10 percent discretionary factors, is about a 60-day process even under the best of circumstances, and another 30 days is normally required to go from the State percentages to the final grant awards under the present statutory requirements and the present procedures that I have tried to outline.

We were sitting here during the recess trying to think of things that would be of interest to you in terms of legislative modifications. One thing that we might be able to look at would be the whole idea of multiple-year funding, some kind of a system in which a school could apply for moneys, not just for 1 year, but for 2 years, subject to the availability of the appropriations and the normal cycle of events.

That would help solve one problem but it might create another because they would then be estimating 2½ to 3 years in advance what they need to handle their work needs at a given institution.

Mr. Dellenback. If the chairman will yield, may I ask a question on that while we are talking about it?

If you talk in terms of multiple year funding as opposed to advance funding, all you do is increase the cycle of the swing. Let's assume you fund for 2 years, then the second year you are back in the same problem again.

If you fund for 3 years, the third year you are back in the cycle again, as opposed to advance funding.

Mr. O'Hara. I have a couple of rather simple suggestions I think could speed it up. One of them is that the separate State and institutional allocations don't make a lot of sense because what we are talking about is an institutional based program wherever they go to school—work-study applicants go to school is what we are interested in.

It doesn't matter what state they come from. And if your eligibility is based on need, you don't need to determine the number of citizens in need within a given State. So, I think the one way you could short circuit the process by a fair amount, is not have State-by-State allocations and simply to take the panel recommendations institution by institution and pro rate or reduce them.

Dr. Phillips. Nationally?

Mr. O'Hara. Nationally.

Dr. Phillips. That is the next item on the list of things I thought we would want to consider. Certainly the State allotment formula does create all kinds of dislocations and seeming inequities. You can just look at the percentage figures on that table and see that.

The only thing I would say is it could also put a very high premium on grantsmanship.

Mr. O'Hara. It is the right kind of grantsmanship, isn't it, the school that goes out and really digs because he has the panels reviewing them. The school that really goes out and digs to find job possibilities for its students does better than the one that doesn't. What is wrong with that?

Dr. Phillips. Of course, we do get into the intermingling with other programs as well.

Mr. O'Hara. That happens right now, as a matter of fact, because within a State the one that does the better job gets proportionately more.

Dr. Phillips. The third alternative you might want to mark down is the 10-percent discretionary factor in the program. If you take the State allotment formula and the 10-percent discretionary together, these two operations taken together are very, very time consuming in terms of processing.

But, of course, the 10-percent discretionary is one of the things that helps to offset the inequities of the State allotment formula. If you get rid of the State allotment formula, you might——

Mr. O'Hara. You might need some kind of percentage hold harmless.

Dr. Phillips. A floor that is assured?

Mr. O'Hara. No, so that a school in a State that has been making out quite well under the allocation formula, State-by-State allocation formula, doesn't, when you go to national-institutional, suddenly have a cut in its work-study. You would want to protect against that if you went that way.

I am not committing myself any more than you are. Let me ask this. Another way of getting around the late funding problem might be to work out some system whereby we get in a little different phase, and the allocation you would be getting now would be for your school year work-study plus next summer's work-study.

And the allocation you got a year ago covered the school year we are now in and this coming summer. The current allocation date wouldn't be so much of a problem if it weren't coming up right away.

For instance, one of my college age children has finished school for the year. He will be going back at the end of August or first of September. Presumably, if he were in a summer work-study situation, he would be available right now. He would have just gotten the allocation.

Dr. Phillips. I think Mr. Brooks wanted to comment a little bit on the school year-fiscal year problem.

Mr. Brooks. Part of the difficulty that colleges face, and one we have always tried to sympathize with—in fact, we forwarded proposals from time to time—is that our authority to obligate the money expires on June 30.

So if they haven't spent it by June 30, there is nothing we can do to say to them, "OK, you can keep it," which is in contrast to the situation of having SEOG, where the entire appropriation is authorized as 2-year money.

In work-study, only the money which has not been granted in the fiscal year becomes 2-year money. If the work-study appropriations authorization had the same sort of language as SEOG does, we wouldn't be forced to say to the institutions, "You didn't spend the money; we can't permit you to keep it."

It is a very simple sort of technicality, but it is the technicalities that cause the problems.

Dr. PHILLIPS. And it would remove one of the complications and confusions among programs if that kind of a technical change could be made.

Mr. O'HARA. And also the complaint I mentioned when you find out you have a short fall or a long fall.

Dr. PHILLIPS. You are immediately in trouble. There is no recourse.

Mr. DELLENBACK. I have a question for Mr. Brooks. Do you know, in the point to which you just made reference, if it is in the authorizing or appropriation legislation?

Mr. BROOKS. The appropriation legislation ususally follows the authorizing legislation.

Mr. DELLENBACK. Do you know if in this particular instance there is something we can do about it, or is it the Appropriations Committee, or what?

Mr. BROOKS. The Appropriations Committee, to the best of my knowledge, has followed the authorizing legislation on that point. They also followed the authorizing legislation on the SEOG.

Dr. PHILLIPS. The root of the problem does lie in the authorizing legislation. That is what you are saying, isn't it?

Mr. DELLENBACK. If that is indeed the case, then that is something our subcommittee should perhaps do something about.

If it is something the Appropriations Committee is working at, we should bend our efforts to do something more. Sometimes they will vary; sometimes they just follow us.

I didn't mean to chase that too far, Mr. Chairman. It is just something I wanted to take a look at.

Dr. PHILLIPS. Do you understand clearly what we are up against in terms of this sequential pattern that takes about 6 months to complete under the present statutory requirements and procedures? Perhaps you would like to comment on the relative importance of the appeals process.

Mr. O'HARA. I think the appeals process is fine. I have no complaint about the appeals process. I have got the complaint about the length of time it takes. Perhaps by the time you started, you might be moving forward a bit.

My complaint really has to do with the difficulties that come up when you feed in the State allocation factors and all that sort of thing. I think that causes needless problems.

Mr. SPEARMAN. One of the problems that caused the delay this year was that we established a November 28 deadline, but a large number of institutions that have been participating in the programs in the past did not meet that deadline.

So to omit them would have penalized institutions and students, so we requested permission to extend that deadline. The 1-month delay also created a 1-month delay in the technical end of the picture where we might have still been able to get out mid-April. It created a delay there.

And you have a number of proprietary schools that have pending eligibility, and the office tries to exercise a humaneness in this by waiting until accreditation agencies can determine the status of eligibility there because once we put this into the machine of 3,000 institutions, there is no backup, there is no return from it. We must keep moving.

Mr. O'HARA. What would 100 percent of panel-determined eligibility have amounted to?

Mr. SPEARMAN. $528 million.

Mr. O'HARA. As compared to an actual appropriation of?

Mr. SPEARMAN. $270.2 million.

Mr. O'HARA. So just on panel-approved eligibility, it is approximately double.

Mr. SPEARMAN. Double.

Dr. PHILLIPS. I think the exact figure on line 2 of the table is $528,802,000, the panel-recommended amounts for the coming year 1974–75.

Mr. O'HARA. I guess there is no telling to what extent that amount was reduced by, what the amount would have been if the applicants had the notion there was going to be a lot more money available. They might have done more.

I think the fact they assumed they weren't going to be getting a significantly larger amount kept them from going out and trying to create more work-study possibilities.

Mr. SPEARMAN. I think the institutions have become very sharp on this and they are aware of the projected appropriations.

Mr. O'HARA. They recognize they would be spinning their wheels if they set out to—they wouldn't be because they would get a percentage of it, wouldn't they? There still would be an advantage to them to really promote the program because they could get a bigger piece of the State's allocation.

Dr. PHILLIPS. And yet at the same time they have got to build an internally consistent picture of total need within the institution so that if they were to accent work-study then they would have to show how that money was relieving pressure on other kinds of grants or loans.

They have got to work within the cost of education budgets, numbers of students, and the various budgets and come up with a profile of their total institutional needs.

So that if you were to expand work-study demand, if you are going to use the $528 million figure as the approved demand level you might have a corresponding reduction in other parts of students aid resource requests.

Mr. O'HARA. One of the things we might consider doing is making an appropriation for CWS and SEOG, as an example, that combined an appropriation; so much for work-study and SEOG. SEOG had to have the balance after the work-study approved amounts have been take care of. Or, the other way around. You could build in preferences.

Dr. PHILLIPS. Check me if I am wrong, but don't you then get into some different definitions of eligibility, and so on, in the different programs? We have been struggling with regulations to define exceptional financial need in terms of the SEOG program and finally have some regulations upon which public comment has been received, and that is somewhat different than the eligibility requirements of the college work-study and NDSL.

Mr. O'Hara. Of course, the exceptional financial need thing, I am not sure I am impressed with that. I don't think it matters a bit whether a fellow drowns 10 feet off the dock or 100 feet off the dock if the water is deep enough in either place.

So you say here we have got these two students who don't have enough money to go to school. We will help the one who falls short by the greater amount and the other one, that is too bad.

Dr. Phillips. I think the distinction we need to make there is not whether or not you help that person but the way or the manner in which you help those two different students; what kind of assistance one student gets and another student gets.

Mr. O'Hara. Another way to do it is the BEOG way, which is to say if we haven't got enough money to help both of them go to school we will give each of them half of what he needs and then neither of them will be able to go.

There are several ways of approaching it.

Mr. Dellenback. While we are talking about this business of helping the one in most desperate need, if I may I'd like to comment on your two points. If in one instance it is going to take 10 times as much money to help the one student as it would to help the other batch of students, we are tempted to say, "If we can help 10 students go to school with the same number of dollars, then maybe we ought to not take the one who is in greatest need."

Mr. O'Hara. That is another approach.

Mr. Dellenback. If it comes to that. Another theory is, if you bring the 100-foot student to the 10-foot level, the 10-foot student, if he or she really wants to go, is really going to be able to hack it.

So that one can make the marginal difference on his or her own.

Dr. Phillips. I would say in regard to this length of time—I understand the sequence of what you are talking about—I am just troubled for the $99^{44}/_{100}$ percent that really have been champing at the bit for something less than the full 6 months, whether they have been champing at the bit for the last 2 weeks or the last 2 months or they were ready right at the beginning.

If everybody is held up—and I understand, as you said, once you really take that last step and you get on the roller coaster and start going you can't get off it again, so you are very hesitant to get on the roller coaster.

I am just troubled that on both sides of the table we are in danger of shrugging our shoulders and saying that is the way the system goes, it is going to have to take 6 months, when we ought to constantly batter at the question of "Does it have to take 6 months?"

I don't think we are going to go to multiple year. I think we have made a long step forward to go forward with advanced funding. I think that was a great step. It opens up the possibility of doing something that was not possible before advance funding.

If we can now concentrate on getting more money and smoothing the wrinkles out of the programs and stay with advance funding we have got the mechanism for helping the schools and the students in time so that we don't have the administrative officials, and the schools, and the kids in that frustrating position where it is the middle of the year before they know what they are going to get for that year.

I think part of the function here is not for us to try to tell you what you should do in the way of changing your administrative procedures but we are wide open to how we can modify the law to make it function more effectively.

Maybe we can go to percentages; 90 percent right away and get the last 10 percent at a later time, or something of this nature, so there could be a way that early in the process where it would have the maximum impact of decisionmaking within the school and for the individual student for the best result.

Dr. PHILLIPS. If I could slip on a somewhat different hat as chairman of the Task Force on Management of Student Assistance Programs, one of the things we have to be very conscious of is the need for these moneys that are placed in the hands of the institutions to somehow fit together with basic grant money and State scholarship and grant moneys in individual packages.

We do have the sort of ideal theory that seems to be that basic grants should serve as a foundation upon which you can build to fill out the total need and a variety of sources to do that.

If you get this money out, as you say, perhaps instantly on the basis of an automatic percentage allocation, then you can run immediately into the problem of overawarding because it has to be synchronized with the basic grant and State scholarship applications.

In an intergovernmental kind of system that we now have in student assistance it certainly ought to be synchronized with both the basic grant application and the results of State scholarship or grant availability.

So we have got to be a little careful that in our zeal to get these moneys out early we don't borrow a whole other range of problems. We are trying to think in those terms, that you do try to accelerate the delivery schedule for basic grants, you do try to make sure that meshes conventiently and as comfortably as possible with State scholarships and grants so you do end up with a combined report relatively early in the process that a student and an institution can have at their disposal, and that is the point where you have got to have these results.

I would agree with you that these results ought to be there earlier than they have been and we ought to be relentless in our effort to speed up the process, but to suggest that we might want to speed it up so much that we would apply in October and have results in November could cause a whole series of other problems in terms of synchronizing with basic grants and other programs.

Mr. DELLENBACK. The kind of approach you take, John, when you talk about being chairman of this committee and focusing on the totality that is within your department, is the very approach the subcommittee is taking.

While we are looking at CWS right now, it is part of a review that is going on over the course of several months. The chairman, I think, soundly decided that not just sit down and say we are looking at the whole picture and then look at a spot here and a spot there. Instead, we are approaching it in a different way. But in the back of our minds is that total picture.

We hope, out of this, to see whether or not we can legislatively deal with the package, but to accomplish that, we are looking at one item at a time. So, when we look at CWS with you and talk about this program, we don't mean for 5 seconds to be talking about dislocating it in relationship to the total package. It is just that while we look at this particular program, is there some insurmountable reason why this one can't be speeded up.

When we look at loans, we will look at the same kind of thing. When we look at BEOG, we are looking at the same kind of thing. We don't mean to take it out of that totality. Our goal is to keep the total perspective firmly in view when we suggest changes in CWS, or any specific program.

The comment you made a minute ago when you were talking about the difference between SEOG and CWS tells us something. Maybe that is an issue we should legislatively be dealing with; perhaps we could blend these and other programs together in a way that would encourage greater synchronization and speed of administration.

While we are talking about this speeding up, let me switch back to an issue that I think the chairman questioned while I was on the floor, and that has to do with the regulations.

I am really sorely troubled by what I understand to be the situation. We passed those 1972 amendments a long time ago, and yet it is my understanding that SEOG regulations have only been out a matter of a handful of weeks. It is my understanding that the CWS regulations are not out. It is my understanding that the nonsex discrimination regulations are not out.

That is just an almost inexcusable amount of a lag existent between the time we labored mightily here on the Hill and brought forth what I think were very significant changes in the law that we wanted into effect.

When I direct the question, I am not seeking to excoriate any of you. Where is the holdup occurring? Is it in legislative counsel's office? Is it in your counsel? Is it in OMB? Why is it that we take and wait for more than 1 year for some regulations to be put into force?

Dr. PHILLIPS. In this case, 2 years.

Mr. DELLENBACK. I was trying to be lenient in time because I recognize you haven't been there that long.

Mr. SPEARMAN. Unfortunately, I have.

Mr. SHAW. The development of these regulations began in February of 1973. The grant regulations are on the verge of final drafting and final publishing. The work study and direct loan drafts have been in the Office of General Counsel for 1 year.

Mr. DELLENBACK. That means your draft of these regulations have been sitting somewhere over there in the hierarchy for 1 year.

Mr. SHAW. Yes.

Mr. DELLENBACK. I don't want to put the wrong feet to the fire, but would you have any suggestions as to whom we ought to blast?

Mr. O'HARA. I have advice of it and it is not to mention it.

Mr. DELLENBACK. My advice is for you to punt.

The point is that from the standpoint of the Congress, this kind of delay is unacceptable. When we write the change in the law we are really expecting that policy to be implemented. It is one matter to go through the thing that you, Dr. Phillips, touched upon when you talked about a chain of events, and I understand that type of thing. However, we have got to keep the chain of events going. It has got to go from A to B and down the line. It can't go A, D, B, X. There is a certain sequence to be followed, and I don't see that in this case. As you well know, the whole change of policy that we intended hinges on this.

If there is an explanation for it, I would welcome receiving it. At least I would like to have it in the record. If there is not, I think it is our task to turn on whomever we ought to turn and say this is unacceptable to the Congress.

Mr. O'Hara. Would the gentleman yield?

Mr. Dellenback. Of course.

Mr. O'Hara. I think we ought to invite the Secretary up here to explain to us. I bet that is all it would take to get the regulations.

Mr. Dellenback. I suspect that sometime before the afternoon is out there will be word in one or more offices back at HEW that questions were asked about this particular issue. Further, I think the suggestion of the chairman that we extend an invitation to the Secretary is a fine one. Apparently, if it is not within your province it is within the province of somebody—the chain of command goes up—and we want the person in the decisionmaking capacity.

I just think that is too long to wait.

Dr. Phillips. With your permission, I think perhaps it might be useful to the members of the committee if we were to try to describe the process for clearance of the regulations within the Department.

Mr. Dellenback. We would like that for the record.

Dr. Phillips. That might help you in comprehending——

Mr. Dellenback. Would you like to do this now or submit it?

Dr. Phillips. I would like to submit that.

[The document referred to follows:]

Department of Health, Education, and Welfare,
Office of Education, Bureau of Postsecondary Education,
Washington, D.C.

Hon. James G. O'Hara,
Chairman, Special Subcommittee, on Education, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Mr. Chairman: In response to your request at the College Work-Study Hearings before the Subcommittee on May 8, I have developed a short summary of the regulations clearance process within the Office of Education and the Department of Health, Education, and Welfare.

The regulations clearance process is not easy to summarize because it tends to be quite individualized according to particular changes in program legislation. There is really no sharply defined "system" for processing and clearing all regulations, and procedures can vary almost on a case-to-case basis. However, generally speaking, the clearance process, in terms of "signature" clearances is as follows:

BUREAU OF POSTSECONDARY EDUCATION

1. Program Officer(s)
2. Director of the Program Division
3. Associate Commissioner for Student Assistance
4. Executive Officer, Bureau of Postsecondary Education
5. Deputy Commissioner for Postsecondary Education
6. USOE Regulations Officer

OFFICE OF EDUCATION CLEARANCE PROCESS

7. Office of General Counsel, OE Division
8. Office of Contracts and Grants
9. Office of Public Affairs
10. Office of Legislation
11. Deputy Commissioner for Management
12. Commissioner of Education (Action Memo to Secretary)
13. Assistant Secretary for Education
14. USOE Regulations Office

DEPARTMENTAL CLEARANCE PROCESS

15. Department Coordinator
16. Assistant Secretaries for:
    Administration
    Comptroller
    Legislation
    Planning
    Office of General Counsel
17. Executive Secretariat
18. Secretary
19. Certifying Officer
20. Department Coordinator
21. Office of the Federal Register (non-DHEW)

This chronological list describes the internal clearance process for the typical set of program regulations. It should be noted that if there are any major problems discovered in the regulations, the process generally reverts back to the program office (step 1) and the Office of General Counsel (step 7) for further negotiation. In fact, the largest amounts of time are involved in the initial and subsequent negotiations between the program officials and the Office of General Counsel.

In addition to the time involved in negotiations between the program officials and the various participants in the clearance process, the regulations for the College Work-Study Program, as well as for the National Direct Student Loan Program, have been held up in part by the decision to standardize, wherever possible, the regulations of these programs with the Supplemental Educational Opportunity Grant program regulations so as to insure uniformity and clarity. We have received comments on the SEOG regulations which we published in the Federal Register on March 6, 1974, and we are preparing to finalize them for publication.

Additionally, the SEOG regulations have been brought into conformity with the various related sections of the Basic Educational Opportunity Grant program regulations which are now ready to go forward for clearance. This removes the last major obstacle preventing finalization of the SEOG regulations. We are committed to the objective of having the SEOG regulations out of the Office of Education for final Departmental clearance by June 30, 1974, with final publication scheduled by July 31, 1974.

In the meantime, we are continuing to work on the new program regulations for both CWSP and NDSL, aiming towards publication within 30 days after the final SEOG regulations are published.

In spite of the problems we have had and the time involved in attempting to make the regulations as clear and standard as possible, we can assure you that every reasonable effort is being made to assure that all of the student aid program regulations required to implement the Education Amendments of 1972 (BEOG, SEOG, CWSP and NDSL) will be published and available for use before the beginning of the 1974–75 academic year in September.

I hope this brief description of the clearance process and an explanation of where the process stands with relationship to the college-based programs will be of assistance to the Subcommittee.

Sincerely yours,

JOHN D. PHILLIPS,
Acting Associate Commissioner for Student Assistance.

Mr. DELLENBACK. When you were suggesting changes that you would like to see made, Dr. Phillips, were there other suggestions you would put into the record at this time?

Dr. PHILLIPS. I was trying to focus in on some of the items that are within the province of this committee, as I understand its role, where we could have a significant time saving and using that without commenting on the substantive value of these various possibilities.

We did want to at least focus attention on the rather major time consuming activity that goes on with respect to the movement of the 10 percent discretionary funds. That is to say, if you keep a State allotment formula and you also keep a 10 percent discretionary with definite requirements as to how that 10 percent money is to be used and raised to the 1972 floor and then to raise the whole floor to the highest level, this involves a very, very complicated computer program beacuse you have got to keep going across.

In effect, you are moving money across the board and you are trying to raise it up to the highest floor level and then when you move it up you may come to another State that wasn't in the original raising.

You say, it looks like we are going to have enough money to go to 58.119 and here is a new State that was at 57.379, so you have got to pick them up and add them into the process. Obviously there are some things to be said substantively and there are a number of policy implications that could be involved in a change of the 10 percent discretionary.

But if you are looking at it from the standpoint of how could we speed up the process, how could we deliver these funds more efficiently and speedily it seems to me both the State allotment formula and the 10 percent discretionary might deserve some attention because those two factors are immensely time consuming.

Mr. DELLENBACK. I am glad we have a computer to do it.

Dr. PHILLIPS. That is one of the problems, we end up with some hand and head computers.

Mr. DELLENBACK. Since one or more of you may be back again as we look at other parts of this package of programs, keep in mind what we are trying to do. It is exactly what your committee is trying to do; that is, make as much harmony out of a series of topsy-like growths as we can possibly make.

Our goal is to come out with a coherent package that will flow. May I suggest also that as you come back with this kind of testimony that you come with specific suggestions prepared. It isn't enough to say, Dr. Phillips, these are a series of things you might theoretically consider doing. We would like the kind of suggestion—going back to the one specific thing that Mr. Brooks was talking about a minute ago—that we can act on legislatively and make things flow more smoothly.

You touched on some of the phases of the operation in your earlier testimony when you referred to having to make some value decisions. We are not asking you to make the value decisions or balance off whether we want the appeals process to operate this way. However, I think it is valid for you to point out that 2 months of this and 1 week of this, or 72 days of this, is taken up with the appeal process, and suggest we examine it along these lines.

Mr O'HARA. In effect, pointing out our options, if the gentleman will yield. I do applaud the position they have taken, that they are not going to make their policy recommendations until the committee has concluded the hearings so we can sit down with them. I think that is an excellent way of approaching it.

But if you want to sketch out a few options in terms of making existing programs work better, that is all right, too. I do like the way of approach with that addition, as my friend, the distinguished ranking minority member has expressed.

Dr. **Phillips**. I might say by way of response, it is very difficult to draw a clear line between administrative operations and policy or value judgments. At least we get into some tricky territory.

Just as I said before, you might improve the management of these programs, or this particular program, to the point where you would invite a whole series of policy inferences in terms of the role that work plays in this larger configuration of grants, work, and loan.

I guess one of the things I am interested in, and I think our Office of Student Assistance is interested in, is the issue of what are the objectives of work programs as distinguished from grant programs and loan programs. To what goals are they being directed or should they be directed, as distinct from other possible sources of student aid.

I think we are going to have a good deal more to say about that at the appropriate time.

Mr. **Dellenback**. I don't mean, Mr. Chairman, to jump the gun on policy recommendations. Rather, my hope is as you go through this analysis in this subject and the subjects which will follow, that you will keep in mind we do want you to help put the finger on where you think the sore spots are, and the spots that are subject to change.

I would like to ask just a couple more brief questions. Do you know, Dr. Phillips, the percentage of CWS students who are less than full-time students? Do you have a breakdown of full time versus part time?

Dr. **Phillips**. I don't believe we do.

Mr. **Brooks**. It is not available.

Mr. **Dellenback**. Do you have anything on graduate students?

Mr. **Brooks**. It is about 5 percent.

Mr. **Dellenback**. About 5 percent are graduate students?

Mr. **Brooks**. That is rough.

Mr. **Dellenback**. That is a nationwide statistic that we are dealing with in terms of assistance?

Mr. **Brooks**. Yes.

Dr. **Phillips**. Excuse me. Are you saying there is no way to get that data on the number of full time and part time?

Mr. **Brooks**. We have never asked it. It is not on the report.

Mr. **Dellenback**. This would force us to asking more questions back up the line. It is not a question of going to your data and pulling it out. I was wondering if you had that particular set of data.

How does a student aid director use the needs analysis for CWS now? Do you have anything you could make as an input on that?

Mr. **Brooks**. I guess I don't really understand what it is that you are asking. I understood your words, but I don't understand what it is you are driving at.

Mr. **Dellenback**. As a tangent of it, let me ask in the regs—as you propose at this stage of the game, and I recognize they are still formative—is there going to be any sort of an income ceiling you are going to propose in this particular question?

Mr. **Brooks**. There is no income ceiling in the draft we are working on.

Mr. **Dellenback**. What about family contribution?

Mr. **Brooks**. Of course, the definition of need that is in the regulation, and always has been, even the regulations published, which are based on the old law, is the difference between the student's cost and the resources available to him, which would include the expected family contribution.

Dr. **Phillips**. Which, in turn, includes the prospective student earnings as a part of the overall family contribution.

Mr. **Brooks**. They are pre-1972 regulations.

Mr. **Dellenback**. I will follow the other issue at a later time.

Thank you, Mr. Chairman.

Mr. **O'Hara**. Thank you. We are going to let you go now, but I will make one observation on this whole question about meaningful work. My definition of meaningful work is one that pays wages. If it pays, it is meaningful. If it doesn't, it is not meaningful.

If it is also interesting, that is a terrific bonus.

Dr. **Phillips**. Would you go so far as to suggest that if it is also related to your academic program, that is a terrific bonus, too?

Mr. **O'Hara**. That is just great. But it becomes meaningful when it has a decent wage attached.

Mr. **Dellenback**. Listening to the answers to your observation flipped me back to a couple of questions I asked before. While I don't mean to get again into the policy issue, I would ask, has your administration of CWS been of such a nature that you would be able to make an estimate as to what the effect would be if we were to change the percentage of our contribution?

Dr. **Phillips**. Of the Federal contribution?

Mr. **Dellenback**. The Federal contribution. For instance, instead of it being an 80-20 formula, we would shift, not to reduce the Federal funding but to bring about——

Dr. **Phillips**. A greater multiplier effect in terms of student earnings.

Mr. **O'Hara**. Could I add something to your question? It has also been a suggestion we have different percentages for different kinds of employers, like the university pays one percentage and——

Mr. **Dellenback**. My question is intended to be broad. Do you have any comment as to the impact and, if you want to, the desirability or undesirability of a change in the rigid 80-20 percent, either across the board or from spot to spot?

Dr. **Phillips**. I can respond by giving you very limited data on experience when I was working in the Northwest as director of higher education there. It was our experience that many institutions, in order to try to stretch their work-study money as far as it would go, were actively engaged not in collaboration, but certainly with full awareness of what each institution was doing to encourage a higher rate of participation, 30 percent, 40 percent.

And as far as I know, there was no difficulty finding employers willing to make that kind of commitment. It does put a significantly increased load on the institution or the off-campus employer.

At least based on that very limited set of data points, it seemed to us in the regional office that there was some room for increased employer participation, that there wasn't an automatic kind of rigidity.

The raising of the percentage to 30 percent or 40 percent wouldn't immediately slam the door on employment opportunities. That is just my experience.

Mr. SPEARMAN. I think our experience has told us there is no shortage of employers who are looking for students. The real problem, of course, has been that we don't have enough funds to make these jobs available.

In the early years of the program many people who were critics of this practice—I am referring back to the early years when there were not enough students. That is not the case at the present time.

Some institutions have even, on their own, reduced the amount of Federal share from 80 to 50 with no discernable ill effects, with the employers even increasing their percentages from 20 to sometimes 40 and 50 percent in order to attract the student.

Mr. DELLENBACK. It has gone that far with no discernible adverse effect?

Mr. SPEARMAN. Institutions tell us we have not experienced any negative effects from this whatsoever.

Mr. DELLENBACK. I think that is quite significant.

Mr. SPEARMAN. In addition to that, this issue of meaningful and demeaning jobs has not seemed to have been as critical as many of the critics point out, that the number of students who are applying for a variation of the kinds of responsibilities that occur continues to increase.

So that, yes, there are some students who feel the jobs are not meaningful, but, on the whole, students, we think, are seeking employment in order to pay for their college expenses. Some of the kinds of responsibilities they find themselves in are, to them, worthwhile because they are being paid.

Mr. DELLENBACK. The last question I would ask relate to the chairman's earlier question and what you have just said, Mr. Spearman, of meaningfulness of employment. Would you have any comment on the possible broadening of the program as to the nature of who might or might not qualify?

I happen to think this is a great program. I think we ought to be broadening. I think we could reach way beyond those who could qualify under the present law and we might even reach toward the profit-making concept of bringing them in on some basis or another: on a degree basis, on a lesser amount basis, or something.

But, in order not to help the business community, if you will, but rather to reach into this direction of meaningful employment, somebody is going to be working out in the business community.

If all he or she can do while in college is to do one kind of work which bears little relationship to what he or she is ultimately going to do, we have wasted a training program. What would you say about that? Would your experience lead you to think we could desirably broaden the scope of what is involved in work-study?

Mr. BROOKS. Once upon a time when the work-study was part of the Economic Opportunity Act there was a waiver provision to exempt the students from—the best I remember—the nondisplacement provisions that the work had to be in the public interest, et cetera, under the condition that if a student's work were related to his career objective then the job would not have to satisfy this nondisplacement provisions.

That was eliminated from the statute on the request of the labor unions.

Mr. O'Hara. If I could interject, and then we are going to have to adjourn because I have a 3 o'clock appointment, I think we ought to look at that. I don't think we are anywhere near exhausting the possibilities of co-op.

Mr. Dellenback. They slide into each other.

Mr. O'Hara. Maybe what we ought to be looking at first is the possibilities of expanding co-op with private employers on an unsubsidized basis.

Mr. Dellenback. I see it as a continuation where one slides into this and that, and these two are possessed of real similarities. I ask it not because I think we should jump immediately, but we are looking at the package. What about that? Does that make sense, and if so maybe we should do it. On the other hand, maybe we should fade away from this notion.

Mr. O'Hara. We are going to slide into co-op next week exactly that way. The subcommittee now stands in adjournment. Thank you very much.

[Whereupon, at 3:05 p.m. the subcommittee recessed, to reconvene Monday, May 13, 1974.]

[The following materials were submitted for the record.]

ACTION,
Washington, D.C., July 18, 1974.

Hon. James G. O'Hara,
Special Subcommittee on Education, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Mr. O'Hara: The ACTION Agency has a particular interest in service-learning programs and, in that connection, has had experience with the College Work-Study Program. ACTION has a continuing interest in encouraging work-study manpower to help public and private non-profit agencies meet the community service needs of the poor.

ACTION has developed several programs in the educational world which are excellent vehicles for fusing education with community service. We feel that work-study could be a similarly effective vehicle and that we at ACTION can aid in off-campus placement efforts under the College Work-Study Program.

A summary description of our experience and possible role in relation to off-campus work-study programs may be helpful to you and the other members of the Special Subcommittee on Education. Accordingly, we have prepared and are attaching a statement which we offer for insertion in the Subcommittee Hearings record.

Sincerely,

John L. Ganley,
Deputy Director.

Attachments.

STATEMENT BY ACTION ON PART C OF TITLE IV OF THE HIGHER EDUCATION ACT, COLLEGE WORK-STUDY PROGRAMS: SUBMISSION TO THE SPECIAL SUBCOMMITTEE ON EDUCATION, COMMITTEE ON EDUCATION AND LABOR, HOUSE OF REPRESENTATIVES

1. ACTION'S INTEREST IN STUDENT ASSISTANCE PROGRAMS

Introduction

The College Work Study Program has assumed an important role in student assistance. That role should include providing students with the opportunity for off-campus work with non-profit organizations. Colleges and universities need help in placing students in work-study situations off-campus. ACTION has a long record of success in placing volunteers in community service work with non-profit organizations. ACTION can help colleges and universities place their work-study students in community service.

POSSIBLE ASSISTANCE BY ACTION IN OFF-CAMPUS PROGRAMS

The ACTION Agency, which is charged with the Federal responsibility for developing volunteer activity, has both a national structure and expertise in dealing with a wide range of non-profit organizations. These organizations depend heavily on volunteers to fill their manpower needs, but volunteers often suffer from severe restrictions, such as lack of scheduling flexibility or limited availability. The College Work-Study Program could provide local community service agencies with a ready source of reliable and enthusiastic workers. The ACTION Agency could reach into almost any community and assist in establishing a structured relationship between an institution of higher learning and volunteer organizations in the local community.

Recent surveys underscore the enormous need for manpower of this kind devoted to public services. A Department of Labor report estimates that 80% of all new jobs are going to be in the area of human services. An OEO sponsored study in 1965 found a public service need for 4,300,000 persons, mostly paraprofessionals and volunteers. In 1966, the National Commission on Technology, Automation, and Economic Progress estimated that there were 5,300,000 such positions. One H.E.W. study revealed that there are an estimated one million handicapped children in their early school years who need help. To reach them would take an additional 121,482 professionals, 53,570 paraprofessionals, and 342,143 volunteers. H.E.W.'s Parent and Child Centers need an additional 1,690,000 professionals, paraprofessionals, and volunteers. Clearly then, in examining both needs and resources, there is potential for many more young people to become engaged in the accomplishment of needed tasks. There is no lack of potential jobs; what is needed is a mechanism to match the right person with the right work opportunity.

II. ACTION'S RELATIONSHIP TO THE COLLEGE WORK-STUDY PROGRAM

ACTION is committed to the concept of service-learning ("learning by doing") by providing work experience opportunities to all students. Several reasons for the importance of such service-learning are advanced by the Interagency Panel for Research and Development on Adolescence in its study, "Work Experience as Preparation for Adulthood":

(1) most adults spend a large portion of their lives involved in work to "earn a living" and therefore preparation for adulthood needs to include education for work, (2) the work environment is a closer approximation to adult living conditions than the school, (3) success on the job calls for qualities, skills, and attitudes which are necessary for success in other adult roles, (4) employers and communities have jobs that need doing. The College Work-Study Program can provide students with the opportunity to explore the world beyond the classroom walls and to gain experience through "real" work, providing many students with career education exposure. ACTION strongly supports the statement in the Columbia University research study, *The Federal Work-Study Program,* that work-study "can do more than provide dollars, more than create leaf-rakers or clerks for institutions of higher education, but can serve as a means of education for life."

The Columbia study concluded that the College Work-Study Program is achieving its primary goal of enabling students from low-income families to help defray the cost of post-secondary education. Yet many students are working at routine jobs which "yield little in the form of long-range benefits. Similarly, many institutions are not effectively utilizing the program to accomplish the objectives of educating students and preparing them for productive futures."

ACTION has developed several programs in the educational world which have proved to be excellent vehicles for fusing education with the performance of community service. Work-study could be a similarly effective vehicle for both the student and the community, if off-campus programs were stressed. Work-study students could provide much-needed inexpensive manpower while gaining valuable on-the-job experience.

Benefits of Off-Campus Work-Study Jobs: Service-learning programs are becoming a part of the continuing education, work-preparation process in this country. There is growing interest in service-learning because it offers a mode of education which integrates needed community tasks with educational growth. Some of the benefits of such experiential education include: (1) For the STUDENTS: According to the Columbia study, the student working off-campus has a better chance of holding a job which relates to his academic or occupational interests, while those students working on-campus tend to hold jobs with little relationship to their plans for the future. Those students holding jobs in line with their interests are more satisfied and tend to be holding the job that they actually prefer. They feel that they are doing something worthwhile, gaining confidence, and, above all, acquiring useful skills. Data from the study also suggest that off-campus employment appears to yield an unexpected benefit in the form of additional or permanent employment, a desired outcome for both the student and the school responsible for its students' posteducational job placement. (2) For the COMMUNITY: Work-study jobs such as school, community, judicial, or recreation aides not only seem to provide greater rewards for the student but also permit expansion of non-profit community agency services. It enables the agencies to improve the quality and availability of their services and to expand their outreach capability, while providing students with satisfying, skill-producing employment opportunities. (3) For the SCHOOL: Off-campus programs enable the school to provide its students with valuable learning experience through internships, clinical education etc., thereby broadening the scope of the learning process beyond the classroom. In addition, off-campus programs often serve to improve the institution's relationship to the surrounding community. Communication is enhanced, and the institution's involvement in providing needed public services often leads to increased community support for those institutions maintaining an off-campus work-study program.

ACTION believes that, as a result of our experiences with our own education programs, we can aid the off-campus efforts of the College Work-Study Program to the benefit of the student, the institution, and the community at large.

III. ACTION'S COMMUNITY SERVICE PROGRAMS FOR STUDENTS

In July 1971, ACTION was established as an independent federal agency, with the task of streamlining existing federal volunteer programs, developing ways to make the most effective use of the increasing number of full and part-time volunteers, and providing opportunities for all Americans to serve their communities through volunteer work. In the past three years, ACTION has increased its involvement in the world of education, instituting programs designed to increase opportunities for service-learning through community-oriented work. Among those programs which could serve as models or possible placement systems for work-study students are the following:

National Student Volunteer Program (NSVP)

Today an estimated 422,600 college students serve as part-time volunteers in local, independent programs at over 1,800 colleges and universities, while the movement among high schools to sponsor service-learning programs is ever-growing. The National Student Volunteer Program in ACTION's Office of Education Programs exists to see that student volunteer programs on high school and college campuses across the country continue to thrive while increasing their quality. NSVP serves as ACTION's central promotion and coordinating unit for all off-campus volunteer work, assisting over 800 student volunteer coordinator offices. NSVP projects that college volunteers contribute approximately 67.6 million hours of volunteer services per school year.

NSVP is a supportive program—an information and assistance source, providing (1) technical assistance materials, (2) training sessions for directors and advisors of high school and college volunteer programs, focusing on planning and managing programs in which the student's need to learn by doing is meshed with the community's need for work to be done, and (3) on-site consultation to programs in need of direct assistance and to groups sponsoring conferences on various aspects of student volunteer programming.

Work-study funds are now often used to pay students performing staff functions in on-campus coordinator offices. These offices could assist in placing work-study students in off-campus positions with non-profit organizations. Work-study funds could also be used to support many of the off-campus volunteer projects, for example, tutorial projects, housing repair work in low-income communities, or counseling for youthful offenders. (For examples of volunteer programs assisted by NSVP, see Appendix A.)

University Year for ACTION (UYA)

This program enables college students to earn credit toward their degree while working fulltime as volunteers in poor communities. The objectives of the program are: to make university resources available to poor communities; to teach students through working on real problems; and to help the poor in urban and rural disadvantaged communities move toward solving their problems.

These objectives are being accomplished by the four University Year for ACTION partners: *ACTION*, which provides technical assistance, overall direction, and a portion of the funds for student allowances and administrative costs; *universities*, which grant academic credit for the student volunteer's work and commit financial, physical, and academic resources to poor communities; *students*, who work for one year as fulltime volunteers; and *local organizations*, which define and supervise the students' work.

Part of the financial resources committed by the universities may be derived from work-study funds. The UYA program is considered by the Office of Education as eligible for off-campus work-study employment, and ACTION funds may be used to pay 20% of the total cost of time worked to the sponsoring university. In 1973–74, at least fifteen UYA programs were receiving some work-study funds for volunteer support.

The colleges and universities participating in the UYA program represent virtually every type of educational institution in this country. The diversity of UYA projects has occurred not by random choice, but rather by the location of each school and the special conditions in the surrounding area. The UYA students are also as varied a group of young men and women as it is possible to imagine—from all economic strata, of all races and religions. More than half have previous volunteer experience and about half are members of minority groups. All are motivated to gain life experience and academic credit by working in community service in a way related to their educational and career goals.

In a survey taken of volunteers who had completed one year of service, 97% said they learned more from a year in UYA than from a comparable year of traditional education. In a survey taken of seven UYA schools, it was found that 75% of the job assignments were career-related.

At the end of 1973, volunteers concentrated their job efforts in: education (43%), social services (17%), administration of justice (11%), health (9%), economic development (8%), housing (7%), environmental protection (2%), and consumer protection (2%).

The following are examples of UYA projects dealing with some of the areas mentioned above (For additional examples, see Appendix B.):

ECONOMIC DEVELOPMENT

University of Missouri, St. Louis—Union Sarah Community Corporation secured six Small Business Administration (SBA) loans totaling $113,000 and reduced processing time from three months to approximately one day. Organized bookkeeping, training and method for community-corporation resulting in $9,000 savings. Redeveloped credit union so that it can now loan $5,000 instead of only $200. Improved data system of economic development agency. Developed ten feasibility studies on potential manufacturing enterprises for the community.

EDUCATION

University of Hawaii—Operation Manong, University Year for ACTION volunteers are working with the university Community Service project to assist Filipino immigrant youth. Volunteers are providing assistance by conducting classes designed to enable the immigrants to improve their English skills. Tutorial and out of school activities are being run by students. Special interest groups and committees have been formed to support the school activities and community outreach groups.

HEALTH

New York City Urban Corps—Mobilization for Adolescent Student Health (M.A.S.H.). The New York City Urban Corps, ACTION's UYA, The City University of New York, and the Health Services Administration have joined together in a pilot project, M.A.S.H., to deal with student adolescent health problems which are reaching epidemic proportions. M.A.S.H. will begin with a two-week "health assault" in the high schools, led by college student teams working under the supervision of the Urban Corps and professional personnel from HSA's Office of Public Health Education. The college students working in M.A.S.H. will receive orientation and training through an initial 14-day indoctrination, from day-to-day professional guidance, periodic contact with faculty advisers, and a series of seminars conducted by the Urban Corps. They will learn simple medical procedures and will be thoroughly prepared to discuss health problems with teenagers and make referrals for medical assistance. To insure the long-range value of M.A.S.H., they will recruit and train a corps of high school student leaders to be responsible for an on-going in-school Health Information and Referral Center.

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Youth Challenge Program (YCP)

The Youth Challenge Program will recruit and place young people 14 to 21 years old in volunteer service in poor communities. This experimental program will also test ways of securing volunteers and matching their skills to the work to be done in the communities. Thirty-five planning grants were awarded to high schools, colleges, local agencies, town governments, and others in twenty-seven states to enable them to design volunteer program models that can be used nationally. These grants will help determine ways to stimulate voluntarism among students on the high school and junior college level.

Student volunteer activities will include food and nutrition programs for the elderly, work with youth offenders, consumer assistance, day care services, and work with the mentally and physically handicapped. Individual programs will be structured to insure that project assignments provide volunteers with the opportunities for personal growth as well as educational development. Schools and colleges will integrate the volunteer work assignments with off-campus learning programs. The possibilities for service and learning will be of special interest to students and teachers who, like ACTION, consider real life experiences an important part of education.

Work-study funds could benefit this program at the junior college level.

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VISTA: Volunteers in Service to America

Participants in VISTA work to alleviate the social and economic ills that are the result of poverty. This is done through a team effort: first, the community defines its problems and improvements that are needed; second, the sponsoring organization, a local non-profit group, seeks resources such as VISTA volunteers to assist in its efforts to eliminate causes of poverty; and third, VISTA recruits, assigns, and trains volunteers who work under local project supervisors. These volunteers live in the community they serve, providing skills and mobilizing human and material resources to address problems that need solving.

Over 4,300 VISTA volunteers are deeply involved in America's urban neighborhoods, migrant camps, reservations, barrios, and institutions for the handicapped. Their job is to show people in despair how they can help themselves.

The following are examples of VISTA projects in which work-study students have been or are being mobilized to work on a part-time basis:

(1) Worcester Consortium for Higher Education, Inc./Student Programs for Urban Development (SPUD), Worcester Center, Massachusetts. The Consortium is composed of 11 member colleges in the Worcester area. The Consortium sponsors SPUD which coordinates the volunteer activities of college students in the area. The goal of the project is to mobilize better the resources of the student community to serve the needs of the low-income community in recreation, adult guidance for needy children, nutrition, education, and needs of the elderly. The project plans to mobilize the 1200 students (supported in part by work-study funds) and train them for community service. Each member college is responsible for training 100 students, with the assistance of VISTA volunteers and faculty members. The VISTA volunteers will work fulltime for SPUD and will provide training and advice to project directors.

(2) VETREACH Projects in San Francisco, California and Wichita, Kansas. Thirty-five ACTION volunteers are running demonstration programs, sponsored by ACTION and the Veterans Administration, designed to locate veterans, especially disadvantaged Vietnam-era veterans, and to insure that they are receiving proper veterans' benefits and community services. It is anticipated that several VETREACH offices will be opened in local communities. Each ACTION volunteer will be responsible for establishing a network of work-study students who will locate veterans on campuses and out in the community and direct them to the VETREACH offices.

(3) Boys' Harbor, Inc., New York City. This program consists of four components: day care center, youth development program for teenagers, alternative school for high school dropouts, and city to country technical assistance program. Boys' Harbor, a delegate agency of The City University of New York

and The State University of New York, provides school and general educational services to young people, their parents, and teachers. Fifteen VISTA volunteers serve as staff members, assisted by several work-study aides. They provide training and technical assistance to over 500 people in poor communities each day and serve as liaison between the schools and the community.

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Community Service Fellowship

The Community Service Fellowship program seeks to create a service-learning system which would provide young persons with the opportunity to give full-time service to their community social needs for six to twenty-four months while earning future educational benefits. These benefits would accrue on a monthly basis; for each month that the participant served in the community service program he would receive one month of educational benefits at any federally approved postsecondary institution. ACTION has earmarked $46,00 for planning to begin in FY 74 to conduct one or more tests of the Fellowship concept. The primary goal of such a program would be to legitimize the idea that those who would like to pursue post secondary education may take a break from the "lock-step," the fashion in which an increasing percentage of young Americans proceed from kindergarten through college without relief and without out-of-school experiences which give perspective and meaning to education. The program would provide an opportunity to "stop out" via six months or more of community service. Those who complete a minimum of six months service would receive educational benefits similar to those now available to veterans. Other benefits can be anticipated as well, such as:

1. Providing off-campus learning experience for students;
2. Supplying local community service agencies with the manpower to perform needed work which they are presently unable to do;
3. Helping to open up communication and involvement between the institution and the community;
4. Providing early work experience which will help the institution place its students when they leave;
5. Offering students exploratory occupational career education opportunities; and
6. Providing recognition for external, self-directed learning experiences.

Support for the Community Service Fellowship concept comes from all segments of the educational world: State departments of education, institutions of higher learning, national education associations, and the students themselves. Representatives of the National Student Lobby stated in their testimony before this subcommittee: "There is need for an additional program to allow students or potential students to spend full time with a community organization or group as part of the option to alternate work/academic experience. In such a program, it is important that a student should be able to 'earn' something of value . . . such as educational benefits similar to G.I. Bill benefits for each month worked." In short, the Community Service Fellowship program, it is hoped, will provide needed service to the community and growth to the individual and will increase the numbers and maturity of students enrolling in postsecondary institutions.

IV. COMMUNITY SERVICE PROGRAMS (OUTSIDE ACTION) UTILIZING COLLEGE WORK-STUDY FUNDS

In addition to the community service programs sponsored by ACTION, many public service internship programs are financed through federal work-study funds. There is widespread agreement that these programs help to provide (a) experiential learning, (b) needed staff assistance, and (c) encouragement toward public and community service for people who might not otherwise pursue such a career.

Examples of such programs include the following:

(1) *The New York City Urban Corps.* This program was initiated in New York City in 1966 as a pioneer work-study program that would foster student involvement in urban affairs. The Urban Corps was created specifically to introduce college and graduate students to city government—to give young people an opportunity to be employed as interns in city offices and agencies. Students could gain first-hand knowledge of city governments' facets and functions, and have substantial work experience to stimulate their interest, broaden their understanding, and awaken them to government career possibilities.

The Urban Corps has become the nation's largest off-campus employer of college and graduate students through its full-time (summer) and part-time (school year) employment programs. Urban Corps are functioning now in more than 70 communities in the U.S., placing over 10,000 interns each year. The New York City Urban Corps employs more than 7,000 of these students from 150 colleges each year. Federal government support of the Urban Corps has enabled city agencies on tight budgets to afford the services of talented and motivated students, with 80% of the interns' compensation provided through the College Work-Study Program and 20% from a city allocation for the Urban Corps.

(2) *Service Learning Internship Program in Community Education,* University of North Carolina at Charlotte. The goals of this program are to provide an experiential link between the student's academic program and the problems and realities of the modern urban community; to encourage and prepare the student for entrance into a career in urban administration. Sixty students participate in the program each year, supported by funds from the state and federal work-study as well as local and private funds.

(3) *Student Participation in Urban Revitalization (SPUR),* Savannah, Georgia. The goal of this program is to develop internships for college students in non-profit public and private agencies to provide needed service to the agency and gain practical experience. Approximately ninety students participate in the program each year, supported by donations, grants, and work-study funds.

(4) *Massachusetts Public Service Intern Program,* Boston, Massachusetts. The goals of this program are to provide students with the opportunity to learn about government and social service professions; to provide public service agencies with a source of manpower; and to provide an avenue of cooperation among institutions of higher learning and public organizations. Over 280 interns participate in the program each year, funded entirely by the work-study program. Students are placed in a wide variety of public service agencies, in positions directly related to the academic and professional interests of the student.

(5) *The Chicago Urban Corps.* This program was organized in August 1971 for the purpose of promoting field-experience education through the development of internship opportunities for college students. These internships offer the participating students: an opportunity to obtain a real-life work experience related to their academic and vocational goals; the chance to perform needed public service activities; and a way to help finance their education. The Chicago Urban Corps serves colleges and universities throughout metropolitan Chicago (and some in more distant parts of the nation) in the placement, supervision and support of college students involved in field experience education activities with public and private non-profit agencies. Most of the students in the program are compensated through work-study. Urban Corps interns find meaningful employment in child development, day care, office work, juvenile justice, race relations, geriatrics, YMCA programs, environmental programs, drug rehabilitation programs, and a host of other socially significant areas. In the summer of 1973, 111 students were placed with 27 agencies, up from 62 students in 12 agencies in the summer of 1972.

Programs such as those mentioned above can, together with ACTION's community service and education programs, absorb hundreds of work-study students. Such community-oriented programs benefit not only the students but the surrounding community as well.

V. RECOMMENDATIONS

Possible Role for Action: As mentioned above, the ACTION Agency has both a national structure and expertise in dealing with public and private non-profit community agencies. ACTION program officers on the state level spend much of their time serving as a liaison between Federal programs and local communities.

They can reach into the community and assist in establishing a structured relationship between an institution of higher learning and local community organizations, for the purpose of developing work opportunities for work-study students with off-campus non-profit groups.

To explore the possibility of placing a greater proportion of work-study students in off-campus positions, ACTION might agree with the Office of Education to undertake a detailed survey of existing and potential job possibilities within non-profit agencies.

ACTION, through its highly decentralized field structure, could provide help to colleges and universities in placing students in off-campus work-study situations. ACTION could also provide volunteer coordinators to place work-study students off-campus. These volunteers could determine areas of local need and identify specific jobs to be filled by work-study students. The cost of supporting such volunteer coordinators would be a VISTA program cost. A cost-sharing contribution might be obtained from the institution for support costs other than the VISTA volunteer's direct support (contribution to direct support is prohibited by the Domestic Volunteer Service Act of 1973, PL 93-113). Once past the pilot stage, the costs of maintaining off-campus coordinator offices could become a regular cost of the institution's work-study program.

ACTION has a permanent interest in providing work-study manpower to help public and private agencies meet the community service needs of the poor.

Appendix A: Examples of Volunteer Programs Assisted by NSVP

Colgate University, Hamilton, New York

The distance between families in sparsely populated rural areas sometimes limits a volunteer program's potential for service. But at Colgate University in Hamilton, N.Y., students have developed an effective "Free School" program that helps overcome geographic isolation.

Two nights each week, 15 or 20 Colgate students drive as far as 30 miles to pick up 40 elementary school children and take them to the campus for swimming, recreational activities, and crafts projects.

The youngsters' school principals and teachers recommend them for participation in the four-year-old project because of special discipline or learning problems.

Colgate also sponsors an active tutoring project apart from the "Free School", that focuses on slow learners in the area's public school system. The free school was designed primarily to give rural youngsters an opportunity to widen their experience after school hours.

Utah State University—Help Line/Walk In Center

By bringing the Logan, Utah, area legal, health and welfare assistance access lines together into one clearing house, Utah State University's Help Line/Walk In Center offers the area, with a population of 25,000, comprehensive social service coordination.

Two student coordinators direct 80 student volunteers who man Help Line phones 24 hours a day and make hundreds of referrals. They also arrange professional legal counseling on campus once a week, visits by local physicians and nurses, and establish welfare counseling for a variety of clients.

The Walk In service handles an average of 100 student aid requests a month, dealing with rent disputes, consumer complaints, and financial and welfare problems. It maintains drug and pregnancy counseling services, and arranges medical diagnosis and treatment.

Manchester Community College, Connecticut

A community college volunteer office has become the central placement agency for a 15-town area of central Connecticut. Since the spring of 1973, Manchester Community College has placed 1,000 students and community volunteers at 100 agencies in and around Manchester, Connecticut.

The college gave the volunteer office a $12,000 annual budget that enabled it to hire three part-time staff members who recruit volunteers to meet agency requests. The office advertises in local newspapers for community volunteers. Most of the student recruitment takes place on campus, when agency representatives visit the student center and classrooms to describe their volunteer needs.

In addition to placing its own students and community workers, MCC's volunteer bureau has located volunteer opportunities for University of Connecticut students from nearby Storrs, Connecticut.

University of California at Davis

Each summer volunteers from the University of California at Davis take some 50 underprivileged children to Camp Discovery in the Sierra Mountains. The UC volunteers operate two one-week camp sessions, and the school's volunteer program, Community Service Council, established in 1963, finances the entire venture. The CSC rents the camp site from a YMCA chapter and buys food for the sessions. The children, ranging in age from 8 to 12, enjoy swimming, hiking, boating, and arts and crafts. Some of the 25 student volunteers are instructors, while others serve as counselors for three or four youngsters. The Camp Discovery program is one of 30 volunteer projects sponsored by the CSC. It is also one of six active recreational programs at the school. Currently, there are more than 800 student volunteers involved in the school's varied programs.

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University of Colorado—The Clearing House, Inc.

The Clearing House at the University of Colorado has twenty-one committees working in the Boulder area during the academic year and throughout the summer. Among the activities sponsored by the Clearing House are: Rapline—a 24-hour telephone service staffed by 45 volunteers; Big Brothers and Big Sisters; day care; tutoring; People Come First—working with young men in prison; and the Saturday Club—working with mentally retarded adults.

During 1973-74, the Clearing House sponsored a food/clothing drive for migrant workers, held a picnic for the mentally retarded people with whom the volunteers worked, and helped the Boulder Reserve Police by soliciting community donations to enable low-income children to attend the circus free. This summer the Clearing House is emphasizing Attention Homes (working with juvenile offenders), pre-school teacher aides, and a recreation-learning program for mentally retarded children.

The current program coordinator at the Clearing House is a full-time work-study student.

Colby Community College, Colby, Kansas

For more than 100 senior citizens in Colby, Kansas, and its surrounding communities, the days seem brighter and the nights less lonely, as a result of an innovative program generated by volunteers at Colby Community College. Young and old are discovering that age differences can be the basis of warm relationships.

In its fourth year of operation, the Senior Citizens Program at Colby has become such an integral part of community affairs that when a group of senior citizens learned that the local board of education was threatening to take away the program's bus, 20 of them protested strongly. They not only changed the minds of the board members, but talked them into paying all gasoline and repair bills.

Working closely with Meadowlark Manor, a local Senior Recreation Center established under Title III of the Older Americans Act, 30 student volunteers spend several hours each week serving more than 70 elderly citizens who frequent the center.

APPENDIX B: ADDITIONAL EXAMPLES OF UYA PROJECTS

CONSUMER PROTECTION

New York City Urban Corps/The City University of New York—Consumer Advocates. The Consumer Advocate Project is a one-year credit work program for 20 CUNY students whose assignments will be to establish and maintain two consumer complaint centers in the communities of the South Bronx and Bedford-Stuyvesant, Brooklyn. The project involves the community, city, and university in a collective effort to identify and hopefully alleviate some of the pressing consumer problems besetting these two communities. The Consumer Advocates will be a task force of twenty college students commited to consumer protection. Their goal will be to establish complaint centers in the Bedford-Stuyvesant section of Brooklyn and in the South Bronx. The centers will provide low-income consumers in these boroughs with the full range of investigating and enforcement services offered by the Department of Consumer Affairs. Consumer advocacy will cover three major areas: interviewing clients, investigation, and inspections. Working under the direction of an attorney, students will be assigned individual caseloads and will also assume the major responsibilities for investigations undertaken by the consumer complaint office on behalf of the local community.

HOUSING

New College of California—Sausalito. UYA volunteers are working with residents from San Francisco's low income families who have no access to architectural or interior designers. Volunteers are placed with a prominent San Francisco architectural firm (Donald McDonald & Associates) where they are working with the residents in designing, developing and building low cost furnishings and aiding in the designing and building of playgrounds. The residents form an advisory board with the volunteers for generating ideas, specification of needs and placement of furniture for test and evaluation.

University of Massachusetts/Amherst—Brightwood Social Services. Organized 10 tenant councils in Springfield public housing and city-wide council. Prepared a security policy, lease model, grievance procedures, management policy, rental and occupancy policy and social services policy. Community people have been trained to continue after UYA volunteers have left.

ADMINISTRATION OF JUSTICE

University of Alabama—Tuscaloosa Police Department. Established specialized unit in the Police Department which handles all juvenile cases in teams of one officer and two UYA volunteers. Cut recidivism from 40% to 9%. Recruited university students to become big brothers and act as probation officers. New preventative programs including entertainment, public relations and raising money for YMCA tuitions have been established. New programs for traffic offenders and runaways have been started.

University of Redlands—Van Horn Intake Project. Accomplished 24% reduction in number of minors held in jail. Developed a 24 hour system to provide counseling at all jails in the valley. Reduced average jail time from 16 to 2.8 hours. Reduced minors held in other facilities by improving programs including tutoring, job placements, informal supervision, counseling, etc. Saved county $45,000 in detention costs.

STUDENT FINANCIAL ASSISTANCE

(Work Programs)

MONDAY, MAY 13, 1974

House of Representatives,
Special Subcommittee on Education
of the Committee on Education and Labor,
Washington, D.C.

The special subcommittee met, pursuant to recess, at 9:50 o'clock a.m., in room 320, Cannon House Office Building, Hon. James G. O'Hara, chairman of the special subcommittee, presiding.

Present: Representatives O'Hara and Dellenback.

Mr. O'Hara. The subcommittee will come to order.

The Special Subcommittee on Education is meeting today to continue its hearings on the work component of Federal student financial assistance programs. Last week, we took evidence focusing on the operation and outlook for work-study, a quarter-billion dollar annual Federal program.

This week, much of our testimony will be directed toward an entirely different work program, involving a much smaller Federal investment, but affecting a great many students at a number of outstanding educational institutions.

I refer to the cooperative education program. Co-op education, as I am sure our witnesses will explain in greater and more informed detail than I can, has been with us for a long time prior to the expression of any Federal interest. And it is, as they will also point out, much more than a student financial assistance device.

There is a Federal program, under part D of title IV of the Higher Education Act, under which $10 million is authorized each year for grants to institutions of higher education to enable them to plan, establish, expand or carry out cooperative education programs. The same provision of law—section 451 of the act—authorizes an annual appropriation of $750,000 for training, research and demonstration grants.

Our first witness this morning is John Sullivan, assistant to the president of one of the Nation's most distinguished post-secondary educational institutions, Antioch College. Antioch College is one of the oldest of American colleges and has been a leader in a great many areas of educational innovation and reform. Central to Antioch's educational program has been the concept of off-campus work, the central concept in cooperative education itself.

Mr. Sullivan, we would appreciate it very much if you would come forward and take your place at the witness table. Tell us how, in an essentially liberal arts oriented institution, cooperative education functions.

STATEMENT OF JOHN M. SULLIVAN, ASSISTANT TO THE PRESIDENT, ANTIOCH COLLEGE, YELLOW SPRINGS, OHIO, ACCOMPANIED BY PAUL G. BARBERINI, DIRECTOR, STUDENT FINANCIAL AID

Mr. Sullivan. I am John Sullivan. I work as an assistant to Dr. James Dixon. I have prepared some remarks, both about how cooperative education is conducted at Antioch College, as well as some specific remarks about CWSP, which I will not read but I will share with you. I have several pages I would like to share with you.

Antioch College is engaged in the deliberate redesigning of itself as an institution of higher education intending to be reconstituted as an international network of learning centers at the postsecondary level. The college views itself as an innovator and a test laboratory while at the same time effectively delivering educational services to its clientele.

Within this pattern of change, Antioch has developed an ability to choose locations for operating which particularly suit the needs of its clientele and provide access to needed resources, or—to put it another way—to operate where the clients are or want to be. This has required reorganization of the college, a reorganization acknowledged by the board of trustees by amendment of the college charter. This reorganization attempts to respond to the need for educational autonomy as well as collaboration between centers and units, at the same time acknowledging common risks to resources and development, to accreditation and to social purposes.

The purpose of the college, then, is to design and participate in alternative strategies in higher education, emphasizing those strategies that maintain dialectic between study and work; provide the opportunity to choose learning locales as a function of educational purpose; and to make itself available to the broadest potential clientele, extending itself particularly to persons and groups who see themselves as minorities, bypassed by educational institutions or who have had to bypass institutions of higher education.

More than 50 years ago Arthur Morgan grafted elements of a cooperative program for engineering students at the University of Cincinnati onto a liberal arts college that not only catapulted Antioch into what is now referred to as nontraditional study, but also, along with the University of Cincinnati, eventually was instrumental in leading hundreds of other colleges and universities into similar educational strategies.

Antioch's program, begun at its Yellow Springs campus, required all students, regardless of major, to spend alternating periods of time in residence at Yellow Springs and away on co-op jobs. Originally a student could earn work credit while on co-op and academic credit while in residence—both kinds of credit were required for graduation. As the campus became more familiar with cooperative education the distinction between work and academic credit became more difficult to maintain. For instance, students now have the opportunity to be in residence at the Menninger Foundation. There they have access to a professional research and practicing staff few colleges could assemble. That staff oversees the students in work assignments and also conducts seminars for academic credit. Many refer to this practice as concurrent work-study.

As Antioch continues its transition from a single unit residential college, all its new degree programs at undergraduate, graduate, and professional levels maintain work-study as an integral component. Again, however, modifications were made in the particular purpose for a work component as well as the way in which it was integrated or juxtaposed with the other parts of the curriculum.

Antioch/West was organized on the premise that the college knew enough about cooperative education to attempt an undergraduate program that would avoid, for financial and programmatic purposes, duplicating in the center or campus any educational resource or facility that could be found in the community. In addition to avoiding the long and costly construction of a library by buying access for our students to the already existing bay area libraries, Antioch/West depends heavily on internships and apprenticeships to substitute for classroom-based instruction.

The Antioch School of Law has modified the learning by doing aspect of cooperative education in a way that appears to be about to alter legal education's dependence on the casebook method in favor of a process primarily clincial in nature. The Antioch Law School further modifies Antioch's approach to cooperative education by being the only program which maintains its own jobs for students—for the school of law is both a college and a teaching law firm.

At Harlem Hospital, Antioch has utilized a hospital as the site for all degree requirements. Instruction, full-time employment at the hospital, and a competency-based assessment enable a student to acquire a physician's associate certificate as well as an undergraduate degree. This may be the only such combination in the country. An anticipated outcome is that persons who ordinarily would be trapped into a nonprofessional status and related marginal income will, because of the undergraduate degree, have an opportunity for admission to medical school or a graduate program in public health or administration.

The Antioch Graduate School of Education utilizes competency-based assessment in several locations and is, therefore, dependent on work periods for its students both as a means of learning and also as a means by which to assess the competence of that which the student has learned. The range of jobs and time spent in employment varies in the graduate school with the objective of the several centers: Philadelphia primarily prepares minority teachers for urban teaching and administrative positions: Harrisville, N.H., is responding to the need for teachers and administrators competent in rural settings; Juarez-Lincoln Center based in Texas. is developing educators and materials that serve effectively in bilingual, bicultural school districts.

Antioch/Philadelphia, the undergraduate program, requires its students to have full-time employment in the human services. The college then designs the degree requirements around the contribution the job makes to the student's knowledge, supplementing as necessary with independent study and center-based instruction and analysis.

Antioch's international program places students in colleges and universities abroad, in centers of Antioch's creation and also in co-op jobs abroad.

The college has just commenced a new undergraduate degree program jointly sponsored by the AFL-CIO. The degree plan for each elected union official includes intensive course work and individually designed degree plans at the AFL-CIO Labor Studies Center in Washington, D.C., independent study supervised by an adviser or adjunct faculty member, and classes at colleges near the student's home. The degree plan is built around the union official's employment.

The Yellow Springs campus has just begun a nonresidential adult degree completion program which includes the assessment of previous employment for purposes of recognizing appropriate learning that may have occurred on the job.

These examples may seem to bring Antioch a long way from Arthur Morgan's early plan. The concept, however, is the same—students benefit from learning acquired in symbolic settings (e.g., classroom or independent study); simulated (e.g., a moot court); and community settings. We now believe that measurement of the appropriate amount of time in whichever setting is a factor of the interface between the respective center or campus' purpose and the student's degree objective.

Antioch now uses work-study for a variety of purposes, including: access to settings beyond the classroom; simulation opportunities; general exposure to new environments or cultures; as a means of helping the student with vocational goals; as the best way, for educational or economic reasons, to acquire certain kinds of learning; as a way for a student to continue some social or political contribution while seeking personal advancement; apprenticeship for creative arts or professional needs; and as a way of conducting a competency-based assessment.

Cooperative education permits higher education planners a practical opportunity to move from what might be called a magnet theory of educational design, that is, one presumes to attract to a single location faculty and facilities with adequate competence and scope, as well as students with sufficient interest and moneys, to a model which enables one to assemble some and travel to other sites and resources depending on what is the most rational and useful to the total educational agenda. This modification to the magnet theory has proved particularly useful to a small private liberal arts college situated in a village in southwestern Ohio. In other words, it is no longer necessary to assert with a high degree of institutional hubris that there must be a complete campus—in the traditional sense—before learning can occur.

Part D of title IV of the Higher Education Act—cooperative education program—in section 451 authorizes moneys—and here I will highlight the particular phase we wish to make particular objection to: "* * * that alternate periods of full-time academic study with periods of full-time public or private employment * * *."

The language of the act which implies that cooperative education is defined as a program that alternate periods of full-time academic study with periods of full-time employment places the Congress and the U.S. Office of Education in both an awkward and disappointing position.

Among the difficulties with that definition are the following:

Cooperative education is a learning strategy rather than a fixed programmatic method; that is, the object is to meaningfully include an alternative setting or resource as either supplementing or as a substitute for classroom-based instruction which can occur in alternating or concurrent periods as well as during periodic components of a student's program or through the entirety of a student's degree plan.

The definition of the statute requires full-time employment. Our educational purposes do not require and can in fact be hampered by the requirement that our students become employees of a given company or organization. To be sure, that employment status is often desirable or required to enable the student the optimal learning opportunity; Antioch, however, chooses to be aware that a student may be engaged in the practical or working without being on a payroll—some of our best practical learning has come through part-time employment or through full-time work but no formal employment or pay.

This definition also automatically places most of the new clientele of higher education outside its purview. Many of our students (at Antioch as many as half) now come at an older age, with dependents and in jobs that pay them at financial levels no BOG, SEOG, or State instructional grant will rival.

The point is that an arbitrary definition demanding alternating periods of full-time employment should not be allowed to either force a student to give up a job resulting in a significant loss of earnings in order to attend college or to deny to a student the educational opportunities that could be drawn from that job the student brings to the college. Learning through classroom and work settings is the objective, not whether the work alternates, is full time, is arranged by the college, or involves the payroll.

Financial aid strategies and USOE support must be designed so that they serve both the student and other citizens as well. Those citizens are questionably served if financial aid costs go up because a student must quit a job and make use of additional amounts of public grant and loan moneys. The student is poorly served since no combination of veterans' benefits, grants, and loans can equate with the earning acquired through a full-time job. Everyone involved is adversely affected if a college atempting to design a cooperative education strategy aimed at those who must continue to be employed at the same job cannot receive Federal support.

We would propose that the statute be amended so that Federal support could be provided institutions that maintain a plan of educational strategies that cause a dialectic between work and study through the incorporation of productive work experiences into undergraduate, graduate, or professional school curriculum as an integral element.

With such a definition Federal support would more clearly enable educational institutions opportunities to design delivery systems which enable the assemblage on campus of some and travel to other sites and resources depending on what is the most rational and useful to the educational agenda of the student and the institution. This definition also provides for the inclusion of any student regardless of age or income needs.

In the appendix prepared by Mr. Barberini, who is seated with me, we have reviewed the present CWSP procedures. We have stated a variety of resolutions to problems.

Mr. O'Hara. Let me ask you a couple of questions. How long has Antioch been conducting cooperative education programs?

Mr. Sullivan. Since 1921.

Mr. O'Hara. They were among the first, with Cincinnati?

Mr. **Sullivan**. Yes. Antioch was the first liberal arts college. Prior to that, there had been engineering programs and prior to our adoption, business administration. We have taken the view that as a part of the liberal arts education, as part of one's broad understanding, cooperative education is useful regardless as to whether or not it has a direct correlation to given experiences in a specific job.

Mr. **O'Hara**. Your program has differed from some of the traditional highly structured cooperative programs.

Mr. **Sullivan**. That is right.

Mr. **O'Hara**. For one thing, the job is not necessarily closely related to the students' career objectives. The work experience may not be on a traditional sort of job.

Mr. **Sullivan**. That is right.

Mr. **O'Hara**. And the alternating periods thing is not necessarily followed, although it could be, I assume.

Mr. **Sullivan**. We have many examples where it is, especially with younger students. At the Yellow Springs campus, they have begun to move to concurrent work-study. We arrange for jobs and educational seminars.

Mr. **O'Hara**. Congress tends to think of this cooperative education along with work-study, as primarily a means by which the students get the necessary final backing to complete their education, otherwise it would not have been put where it is.

To what extent are your co-op students able to finance their education through the earnings of co-op jobs? To a very considerable extent?

Mr. **Sullivan**. I do not think so. It is often argued that is the case, but at certain points the educational purposes tend to rival the money acquisition and in other instances there is not a great deal of competition for those jobs because hundreds of schools have taken on co-op education and there is an intense recruitment going on. Many of our students earn $100 a week for a period of maybe 3 months. What offsets that is travel costs and the cost of living to live in Washington. Colleges always assert their purpose for going to cooperative education is not the final purpose but rather the educational purpose.

The use of employment though, as I was trying to emphasize in my prepared remarks, is particularly significant for an older student. The amount of money an older student gives up is phenomenal. The student has to take out loans which can put a person in debt for $5,000 or $10,000. I think they rarely can make that money up in a reasonable period of time. He may be in debt for a decade or so.

In working with that student and designing the educational program that needs to be applied, it is really an effective final aid strategy, maybe the only way those students can come to school.

We are about between 50 percent or 60 percent comprised of older students with dependents, often minority students, and one of the things that makes it possible for them to go to school is not requiring them to give up their job. But the Office of Education does not consider that to be cooperative education.

Mr. **O'Hara**. You now, more often than not, give credit for that work?

Mr. **Sullivan**. More often than not. We began finding that there were educational experiences comparable to what we could do on the campus. In fact, these experiences were exceptional. We have had students at the Smithsonian, which we could never duplicate at Yellow Springs, Ohio, for example.

The test is what learning occurs, not where. In that case, we award academic credits.

Mr. O'Hara. Mr. Dellenback?

Mr. Dellenback. Does it boil down to an almost individually tailored curriculum for each student that you follow?

Mr. Sullivan. About half our centers tailor the curriculum individually for the student. It is always based on such aspects of the student as his background, his ability. In a number of our other centers, for instance the Harlem hospital program, there the curriculum is totally prescribed. It includes a significant work portion, as much as half the students time is involved in practical experience in a hospital. But there the curriculum was designed in consultation with the AMA and the hospital. There the student has little choice. In some of your teacher education programs, half is individualized and the other half has to be formal because of the criteria set by the teachers' association. We attempt to work with the individual, as you suggest.

Mr. Dellenback. That boils down, if I read you correctly, even to the point of determining what jobs will be given academic credits, how much academic credit, and how much time will be spent there. This is what I thought of when I spoke of the program being individually tailored.

Mr. Sullivan. That is right.

Mr. Dellenback. How much of what you do is physically afield from the campus? You have touched on a few of the regional programs. How far do you stray from the campus where you deal with these special work opportunities?

Mr. Sullivan. At the Yellow Springs campus, which has the largest number of students, approximately half the students' time is away in cooperative jobs. Now that they can earn academic credit, we generally arrange a system whereby we can help the student acquire access to other colleges and universities for specific programs.

Mr. Dellenback. Is it necessary to have centers out away from Yellow Springs? Is this imperative or could one almost, under your program, do it on a solo basis out in the field? Could the umbilical cord run from the school to a student off on a job by himself or herself?

Mr. Sullivan. Yes. Most of our students in the outside centers are not students who could move to Yellow Springs if they desired. Many of them could not find elsewhere the particular cumulation of courses, recognition of work experience that we provide. We attempt not to compete with other colleges and universities. We would lose in every instance in which we directly competed with a college or university. Our resources are very limited.

So, for a period of time, we deliberately use the center model as a way of establishing presence, causing in some instances a friction we do not desire with other colleges and universities. We work with a clientele who cannot come to Yellow Springs or who choose not to attend Yellow Springs because of the rigidity of residency.

Mr. Dellenback. One last question. When you come to your proposal that the statute be amended so that the Federal support can be provided to institutions that maintain a plan of educational strategies that cause a dialectic between work and study through the incorporation of productive work experiences into their various curricula, you see the Federal Government as merely setting up a program which is as broad and general as this. Then we should leave to each school complete freedom, with the Federal Government still administering it rigidly.

If we go to the modification and provide for broad coverage, it could lead to an implementation which could be excellent. On the other hand, it could lead to such loose administration that the program would not work at all. Where do you see us drawing the line? Where does the Federal Government fit?

Mr. SULLIVAN. The definition now is too rigid. It is a definition useful to young undergraduates. Large numbers of older students are coming to the campus now. At Antioch, we are having no difficulty in those programs. Our growth has changed from programs embodying older students, 5 percent, 4 or 5 years ago, to something like 60 percent. The reason is that the program excludes the veterans, the minority group or other low income groups which comes back to college.

Mr. DELLENBACK. Should that judgment be a Federal judgment or a school judgment?

Mr. SULLIVAN. It is basically a school judgment. Some obvious programs have been excluded. As an example, if it is solely a financial aid strategy, it is not cooperative education. The Office of Education can help interpret that and work with the colleges on that. Also the judgmental questions as to whether a plan is real or appropriate and persons who administer the program are qualified to do so, that should be reviewed.

Mr. DELLENBACK. I find a number of the things you are saying right on target. We are reaching for the lifetime learning concept. It is a highly inevitable and desirable objective. I think giving and increasing credit for other than the pure classroom academic experience is excellent.

Your testimony has been helpful and I am grateful.

Mr. O'HARA. Thank you very much. We will look over your recommendations with regard to college work study.

[The information referred to follows:]

APPENDIX

[Prepared by Paul G. Barberini]

PROBLEMS AND RECOMMENDED CHANGES IN CWSP

The nearly ten years existence of the CWS Program has given us ample time to evaluate the success and shortcomings of this program. What follows is a list of problems and recommended changes that apply in some instances primarily to colleges using cooperative education and in other instances to any college using CWSP money.

Problem.—In the regional review of student financial assistance applications the higher costs for travel and living caused through participation in a cooperative plan are ignored. The average cost of attendance figures are usually those of a completely residential college.

Recommendation.—Add distinct criteria and review panelists for colleges with cooperative education plans.

Problem.—Colleges using a cooperative plan often seek to place students in profit-making organizations. CWSP is not allowed for that kind of organization. Special learning opportunities can be arranged for students at profit-making organizations through jobs the organization would be unwilling to pay for itself. Financial aid students are denied such an opportunity because of the need to earn.

Recommendation.—Exempt cooperative education plans from this restriction or permit a special exemption for certain kinds of jobs.

Problem.—Congressional appropriations for CWSP have been less than one half the amount requested by all eligible educational institutions. This has made available less than 40¢ for every dollar requested.

Recommendation.—Congressional appropriations be based on and relate to the actual amounts of CWSP funds requested by all eligible institutions.

Problem.—Present guidelines established to determine "self-supporting" student status and when a parental contribution is expected have a great effect on student eligibility for the CWS program. Presently, if a student visits his parents for 14 days he is considered dependent on the parents and a parental contribution is required. In many cases, this contribution is not available and the student is now not eligible for a CWSP compensated position.

Recommendation.—Given the complex legal and practical questions of "self-supporting" student status, these rules should be made flexible enough so that an educational institution can make a determination of student status, parental contribution and program eligibility on an individual basis.

Problem.—Current Office of Education guidelines and directives disallow CWSP funds to be used to offset travel costs of a student to the site of employment. Additionally, there is an expectation that 60 to 80% of a students full-time earnings be saved and used as a resource to satisfy direct educational costs. An example is a student traveling 1,000 miles to New York City to be employed for one quarter (12 weeks). He can not use any part of his CWSP compensation for travel and yet is expected to save over $700 of his $1,200 taxable earnings.

Recommendation.—CWSP compensation should be allowed against all reasonable student costs, including required travel; and, that saving expectations should be reasonable and variable based on individual need assessment by the institution.

Problem.—CWSP compensation are taxable dollars by Federal, State, and local authorities. This means either the student can not receive sufficient dollars to satisfy financial need or a further evaporation of available dollars occurs in the process of overawarding to satisfy tax demands.

Recommendation.—CWSP compensation be considered non-taxable income to the students as is grant and loans sources.

Problem.—CWSP funds must be expended within a single fiscal year which prohibits multi-term commitment to students and discourages full use of limited funds.

Recommendation.—The educational institution be permitted to carry over into the succeeding fiscal year 10% of its available funds and also be allowed to encumber 10% of its next allotment during the preceding year.

Problem.—There continues to be an arbitrary requirement that work that satisfies a degree or certificate requirement may not be compensated by CWSP student earnings.

Recommendation.—Activities or employment may be compensated through CWSP on the basis of individual student financial need assessment without regard to whether the same activity satisfies requirements toward graduation or certification.

Problem.—CWSP is considered to be a part-time employment program with rigid restrictions on the amount of full-time employment permitted a student during one fiscal year.

Recommendation.—CWSP compensation at Cooperative Educational Institutions be made flexible relating to full-time employment and that the only criteria is one of individual need assessment.

Problem.—The present state formula used in the distribution of CWSP funds is related to demographic categories of high school, college enrolled and low-income family groups which has little relevance to the location of the financial needy student. The present formula does not take into consideration the location of the "self-supporting" student nor the location of the student's educational attendance.

Recommendation.—Given that the educational institution is to remain the conduit of CWSP funds to the student, then the educational institutions assessment of students needs and request for funds should be the basis of not only appropriations but of distribution.

Problem.—The laws governing the CWS Program require a high school diploma as one basis of program eligibility.

Recommendation.—The acceptance and enrollment of an eligible educational institution should be sufficient to determine that phase of student eligibility. We are not accepting as undergraduate students third and fourth year high school students at some of our programs. At other components of the college we are helping students simultaneously to pursue first year studies and a GED.

Finally, two problems areas must be identified and changed to allow for an improved CWS Program administration at the educational institution. First, since the passage of the Higher Education Amendments of 1972, CWS Program Manuels have not been updated or available to college officials. Second, educational institutions generally receive 30 to 45 days advanced notice of their next CWSP dollar allotment. As of this moment, educational institutions still do not know the level of funding for the year beginning July 1, 1974.

Mr. O'HARA. Our second witness this morning will be Stewart B. Collins, of Drexel University in Philadelphia. Dr. Collins has served as the executive secretary of the Cooperative Education Association, and generously made available to us copies of the Cooperative Education Directory for 1973, copies of which were circulated earlier to all members of the subcommittee, and parts of which will be made, absent objection, a part of the record of this hearing at an appropriate point.

We understand you do not have a prepared statement.

STATEMENT OF STEWART B. COLLINS, DREXEL UNIVERSITY, PHILADELPHIA, PA.

Mr. COLLINS. I did not know exactly how to approach the subject, and I was awaiting further details which I did not get. So I am here by myself with my own experience and background.

Mr. O'HARA. I wonder, Dr. Collins, if we can approach it this way: You are prepared to testify both with respect to the program at Drexel and cooperative education generally?

Mr. COLLINS. Yes.

Mr. O'HARA. I wonder if you could describe the program at Drexel, which is the program you are most familiar with. Then if you might, following that, review with the committee what you see to be some of the trends in cooperative education. Is it growing? Changing in character? Perhaps approach it in those two ways.

Mr. COLLINS. Drexel University is an urban university. It has the college of business, engineering, science, and home economics, and humanities and social science. Total enrollment is approximately 10,000 students, of which 5,000 are full-time day undergraduate students. We have 3,500 students in graduate programs and 1,500 students pursuing a bachelor degree in evening college. We are based practically totally on the cooperative education principle in undergraduate programs. There is only one course of study in the university which is noncooperative, which is a 4-year business course. All our other courses are mandatory cooperative.

In other words, the student does not have an option. He must take it. This puts quite a burden on us, as we must supply the work for these students, and our program is of such a large size that we participate with over 1,000 employers, placing our students in about 26 States and 7 foreign countries. We have a staff of professional coordinators who do this work. Most of our students are on the 5-year cooperative basis. They attend school for the freshman year as a full-time student attending three consecutive quarters.

We have the fall, winter, spring, as well as the summer quarter integrated in our school system. The student, as a freshman, has the summer off after the first year. Beginning in the sophomore year, the class is split. We place half on jobs and the other remain in college. By this system, we have a dual student body, one at work at all times, while one is at school at all times. The co-oping really takes place in the middle 3 years of the 5 years in the college of engineering and science. Then in the senior year, the student is back again at college as a total full-time student for the three-quarters of that year. So in the course of the 5 years, our student is working two quarters a year and going to school two quarters in the second, third, and fourth years, thereby getting six terms of full-time experience in the various places of employment, or 18 months full employment, before graduation.

We also have 4-year cooperative programs for women in business, home economics; and one of our options in humanities is a 4-year cooperative program, as well as a 5-year cooperative program. We take this very seriously, and I think it would be of interest to note most of our students come to the university because they are interested in the cooperative program.

Mr. O'Hara. The number of hours to acquire an academic degree are the same as at any other university; then in addition, they must also do cooperative work?

Mr. Collins. That is right. It does not take the place of any academic work at all. It is an over and above, added.

Mr. O'Hara. Perhaps you can describe for us, then we will get into the questioning, what has been happening in co-op education and what recommendations do you have?

Mr. Collins. Co-op education is growing at an extremely fast rate, principally due to the financial influence of the Federal Government. As recently as 12 years ago, only 55 colleges in the country presented cooperative programs. This has been growing until today there are probably 600 colleges and universities either practicing co-op education or planning a program in their own institutions.

This growth has brought some problems. It has brought certainly increased competition for available jobs. Of course, the success of cooperative education depends on the success of the institution in getting the type of work for its students which it would like to have. In our institution, our work and academics are very closely allied. We have what I term professional undergraduate students seeking careers in particular occupations. We do our best to place that student in that type of employment which will tie-in with his particular course of study. We do not win all these, but we win the great majority of them.

We do accept petitions on the part of the student who wants to do something not allied to his course of study once in a while. We think this has educational benefit as well.

I think probably one of the problems which certain schools are running into is the fact that they probably approach cooeprative education in a rather idealistic way, not realizing the problems involved and the work that is involved. Great effort must be made. Many of the institutions do not realize they must make a final commitment of their own to carry this out.

One of the greatest problems involved is the fact that the entire base for the placement of the students is not increasing at a rapid enough pace to keep pace with the opportunities which the colleges seek. Practically all of our students, are employed on a salaried basis. This is part of the objective that many of our students have. There is nothing wrong with it. We do not want to get the salary ahead of the experience but we do go along with it.

To get back to the employers for a moment, I think there needs to be some type of stimulus given to employers to participate more heavily than they have been doing. I think the record of cooperative education indicates that cooperative students in general are very good employees. They are eager and anxious. They want to learn. They are at the peak of their learning abilities and the presence of such a student in an employer's employ can act as a stimulus to the employer. I think the employer has as much to gain as the student.

One of the problems we run into is the matter of how economic conditions affect opportunities for cooperative students. When times are good, generally speaking, you can obtain enough positions for your students. When times are bad, employers are very quick to shut off their opportunities and then you must go other places to find suitable placement for your students. So, I think one of the things needed, if cooperative education is to develop in this country, and I certainly hope and believe it will, is to remove any kind of barrier to employment. I don't want to lead you to believe we have much unemployment in our program, we do not. But it is a hardship on the program when positions and employers are constantly changing.

Mr. O'Hara. Apprentices have somewhat the same problem, do they not?

Mr. Collins. Yes.

Mr. O'Hara. If the Congress was interested in promoting co-op education and disseminating the idea and creating more cooperative educational programs for students, what would you suggest we do?

Mr. Collins. Well, as I said before, I think some incentives must be given to employers to become aware of cooperative education and cooperative students, and make them a regular part of their personnel promotion program.

Mr. Dellenback. Would you yield Mr. Chairman?

Mr. O'Hara. Yes.

Mr. Dellenback. Could you be more explicit on that? What should we do, legislatively?

Mr. Collins. I will repeat one thing that has already been broached by a representative of the Office of Education, and that is a tax incentive should be given, a tax writeoff. It has already been mentioned; it is part of a public record from a national meeting of the Cooperative Education Association and Cooperative Education Division at Lincoln, Nebr., in April 1974. Specifically I am not sure how details could be worked out but I am sufficiently aware of what has been going on to think that somehow, a tax incentive would be helpful. I think if in the profit and loss statement there is a figure shown for cooperative education or something like that, it will get the eye of very important people and very important organizations and keep them aware there is a cooperative program, and cooperative students.

Mr. O'Hara. If we put up the funds for colleges that wanted to go into cooperative programs, that would pay the salaries or a large part of the salaries of the placement officers, the people whose job it would be to go out and interest employers, identify jobs, get the employers going, work with the employers in the co-op program? I have had a strong feeling with respect to these work programs, generally, that to a large extent, the institutions are not willing to really put the kind of investment into finding jobs, supervising, working things out, all of which is necessary to make it really work. When you find an institution willing to do that—Drexel, you say, has how many coordinators?

Mr. COLLINS. Fourteen.

Mr. DELLENBACK. Are those 14 full time?

Mr. COLLINS. They are full time, and they do nothing but operate the program.

Mr. DELLENBACK. Are the employers out there ready to participate if there is effort made to plow them into the program?

Mr. COLLINS. There are, and if you make enough effort, you will get results.

Mr. DELLENBACK. Even without direct subsidy to the employer?

Mr. COLLINS. Yes.

Mr. DELLENBACK. The thing we are talking about could exist independent of benefit to the employer?

Mr. COLLINS. Yes, and I think you are correct, Mr. O'Hara, when you asked if enough effort had been made to do this. When certain schools undertake cooperative education, they are unaware how difficult it is to come by certain types of employment. You are not going to be rewarded by any incentive every time you place a student. So you have to be a very dedicated individual. Selling cooperative students is no different than selling vacuum cleaners. You must go out, tell your story. Our students are producers. They do the jobs other people would have to do if they were not there. Their productivity and long-range potential are the motives that employers use our students for.

Of course they enter payrolls for this. It is easy to get rid of a temporary employee, and that is what a cooperative student is, a temporary employee. I would like cooperative employment to be provided with at least some stability or cooperative education will not grow at the pace we want it to grow.

Mr. O'HARA. You feel, one, you have to have an adequate staff working on these cooperative programs with the employers, persuading the employer that it is in the best interest of the employer that he get not only an alert employee out of it, but he gets a chance to assess that employee's performance, then has a first shot at hiring him as a permanent employee when he finishes his schools, if he is the kind of person the employer would want to hire.

So there are a lot of benefits to the employer, but you feel it may be necessary to give him one additional incentive, which is some sort of a tax break if he hires a cooperative student?

You would be surprised at the way employers will turn themselves inside out somehow for a miniscule tax break. If it were something else, they would have to do that much finagling for to get that much money, they would not feel it worth it. But there is some sort of feeling of accomplishment when you beat the tax system that spurs them onward.

Mr. DELLENBACK. You are talking against the Michigan procedures.

Mr. O'HARA. It spurs them on and their accountants are telling them this is what you ought to do, and it may not result in any significance or real revenue loss.

Mr. COLLINS. I do not know what would inveigle him into this idea of serious involvement.

Mr. O'HARA. Thank you for your suggestions.

Mr. Dellenback.

Mr. DELLENBACK. You indicated that you had about 1,000 employers in some 26 States. How much continuity is there among these 1,000 who come on board for 1 year and then are gone? Or do you have a system where the bulk is with you steadily?

Mr. COLLINS. I would say in normal times, we would maintain from 1 year to the next about 65 percent of our employers. Two years ago by my count we lost over 600 of these employers in that year and we had a net gain of over 600.

Mr. DELLENBACK. Does that mean the students are the ones who find the employers, or having been found by the employers, they drift in and out?

Mr. COLLINS. We find about 90 percent of the jobs. Some students may want to find their own.

Mr. DELLENBACK. The vast bulk of it is done by the school?

Mr. COLLINS. Yes.

Mr. DELLENBACK. Once you have done that, what direct links do you have between the school and the employer?

Mr. COLLINS. We visit employers constantly. We try to visit our employers nearby once every 3 months; those not too far distant every 6 months, and those at great distances we are in frequent communication by telephone. The telephone is our right arm.

The only thing the employer does for us in a formal way is to fill out a rating sheet on the student which becomes a part of the records. The student as he goes along builds up a work record. The student is required to write a cooperative report, edited by his employer. All these things are necessary to receive cooperative credit. We do not give academic credit. We are looking at that aspect, and perhaps within 2 years, I would be surprised if we do not have it. But our credits are graduation credits. If the program required six of these for six periods, that's it.

Mr. DELLENBACK. You see desirability in awarding academic credits?

Mr. COLLINS. Yes.

It would get my full support, because certainly even from an academic standpoint, cooperative education is desirous of this.

I have heard a lot of students indicate, "I learned a great deal more from the job than I learned at school." There is much learning out there. It is different than that found in the classroom.

Mr. DELLENBACK. How much variation do you have in those periods?

Mr. COLLINS. Our particular system is based on a quarter plan. So a basic term is 3 months. But we can combine two of those together to make it either 6 months of college or 6 months of work experience.

Mr. DELLENBACK. May I ask one last question?

Mr. O'HARA. May I interject? I have one as to the amount of money they make.

Have you done any studies to determine just how much these cooperative students do make and what they are able to pay, to what extent they are able to pay their school expenses?

Mr. COLLINS. Our students are earning at the rate of about $10 million a year from their salaries and most of this is applied to college costs. It is difficult to indicate an average figure. They probably pay about 60 percent of their total costs through cooperative earnings. Some pay it all; then there are those who live high, wide, and handsome and probably get money from Mom and Dad. But the earning potential is very important. I do not know of any better money than self-earned money, as opposed to stipends and gifts. It is an advantage to youth; they become self-sufficient in these days of rising costs.

Mr. DELLENBACK. Would there be anything else you would suggest in terms of the law?

Mr. COLLINS. We had a meeting of certain people as to cooperative education. I guess you would call them the leaders. Some ideas came out of that meeting which I think are important. I do not agree with all of them, but some of the ideas I am in agreement with. Let us face it, most of these people were people who had been in the field for many years. There were no new people there, but there was some feeling as to how the money was being used. We realize there is a great deal of waste in this thing, some will fall on good ground and some will not. We thought there should be more evidence of a commitment of the institution itself to sustain this once the Government has given it a little seed money. We felt that the 3-year plan which is presently in effect, might be altered. Perhaps a 5-year plan could be instituted whereby the Government would put up the total cost for instituting the program for the first year.

Then the second year, 80 percent and then 60 percent, building the ability of the institution to stand on their own two legs in this operation.

Mr. DELLENBACK. How far would you take that 20-percent cutoff? All the way down to zero?

Mr. COLLINS. Yes; all the way to phaseout. I know colleges are in a sorry plight financially, but to me, if they are going to undertake this thing seriously, and I certainly hope they will, they must make a financial commitment. We do not like to see the waste going on, although I think that is part of the risk involved. I do not think you can help it.

There is another front that might be examined. That is the college faculty and college administrations.

The National Commission, when they set out 12 years ago to double the number of colleges, said in their experience the greatest detriment of cooperative education was the actual thinking of college administrators and the faculties. This did not look like the real McCoy to them. There was opposition to it; a lack of real get-behind-it-and-push, and there was much cynicism. As I have said, the thing that will probably hold back the movement might be the thinking of certain colleges which will resist making the changes necessary to embrace cooperative education.

Maybe work could be done in getting faculty people involved. They need to be shown and need to be involved. They do not take at face value just words. They like to see for themselves. So I think this is another component which could be examined to move it on.

We think the administration of these funds should lie in the central government, rather than in State departments. We do not feel that would serve any purpose at all. We do not see that a lot of people in between would do us any good or do cooperative education any good.

The question came up about parallel programs. I do not know if you are aware of parallel programs. They are largely on the west coast. This is a situation where a student would go to school in the morning and work in the afternoon. These people wish to be included in the definition of cooperative education. Our group as a whole supports this idea; I do not. I think cooperative education has a unique place in education and I think it should retain that place. This means, you can take a student and send him to Timbuktoo, which you cannot do in a parallel program which requires the student work near the school. It means to me also, the job he is going to get will not necessarily be the job he wants. To me, it falls more into the classification of what students do for part-time work when they go to college. I do not want to hurt anyone's feelings when I say that, but I cannot see that kind of program having the breadth and validity of what I think is traditional co-op. I am a dissenter as far as that particular item goes.

Mr. DELLENBACK. You would not change the concept of the alternating employment-academic credit? You think that ought to continue as a fundamental part of the program?

Mr. COLLINS. I really do; yes.

Mr. O'HARA. Dr. Collins, we thank you very much for giving us the benefit of your experience with the co-op program.

Mr. DELLENBACK. May I ask one more question which has been raised?

Do you know how many students are involved in the program on a national basis?

Mr. COLLINS. About 100,000, as far as I know. I am executive secretary of the Cooperative Education Association and we develop statutes. I would say that roughly speaking, there are about 100,000 students in this country who will have a cooperative experience this year.

Mr. DELLENBACK. We had some figures given us which were unofficial, but the figures were greater than that. The question is, are they talking about true cooperative students, or students attending school and working?

Mr. COLLINS. You have to be very careful. How many students are called co-ops at Drexel? Five thousand. How many are placed in 1 year? Thirty-two hundred. How many in industry at one time? Thirteen hundred. So you must be very careful how you ask the question. Things can get a little blown up very easily.

One measure of success of a cooperative program is to ask "How many students have been placed?" That is the number you want, no matter what language has been used before that, because this is evidence in large part as to what is happening. This will not indicate the quality of the employment, however.

Mr. DELLENBACK. When you get to the point of giving credit, the length of time between the educational institution and the employer is going to have to be much closer.

Mr. COLLINS. Yes. We anticipate it will be. I think the reinforcement of having faculty interested in the program will have an impression on the students, too. I think it would be a very good thing.

Mr. O'HARA. Thank you very much, Mr. Collins.

DREXEL UNIVERSITY, DEPARTMENT OF COOPERATIVE EDUCATION

GEOGRAPHICAL PLACEMENT OF COOPERATIVE STUDENTS

	1968-69	1969-70	1970-71	1971-72	1972-73
Total students placed	3,531	3,372	3,277	3,296	3,037
Number of cooperating employers:					
Philadelphia County	355	384	441	307	364
Within 30 mi of Philadelphia	232	234	251	375	228
Beyond 30 mi of Philadelphia	483	547	556	574	470
Total employer locations	1,070	1,165	1,248	1,256	1,062

GEOGRAPHICAL LOCATION OF EMPLOYERS

	Employers	Students		Employers	Students
Alaska	1	1	Ohio	4	15
Arizona	2	2	Oregon	1	1
California	9	13	Pennsylvania	706	2,228
Colorado	1	14	Texas	1	1
Connecticut	6	7	Virginia	11	28
Delaware	14	44	West Virginia	1	1
District of Columbia	15	50	Foreign countries:		
Florida	4	5	Canada	1	1
Hawaii	1	1	Israel	1	2
Illinois	1	1	Mexico	1	1
Maryland	51	119	Spain	1	1
Massachusetts	8	10	Venezuela	1	1
Michigan	3	4	Virgin Islands	1	1
New Hampshire	1	1			
New Jersey	167	376	Total	1,062	3,037
New York	48	108			

Total Employer Locations (Includes multiple locations of one employer) (Not including student teaching (49) and students receiving credit for travel (14); ROTC (9).	1062
Total Students Placed	3037

TOTAL PLACEMENT SUMMARY

	1968-69	1969-70	1970-71	1971-72	1972-73
Total number of students placed	3,531	3,372	3,277	3,296	3,037
Freshmen placed—Summer	368	308	221	232	244
Summation of placements for 4 quarters	5,944	5,651	5,593	5,540	5,140

INDUSTRY CLASSIFICATION

CLASSIFICATIONS OF PROGRAM TYPES

Training programs.—Defined as—

1. Those companies whose express intention is to retain satisfactory students in all of their industry periods at Drexel and where their employment is varied and progressive.

2. As a matter of practice, the majority of students return to the same company during most of their industry periods due to the desirability of such employment.

Temporary Programs.—Defined as—Those companies offering positions to be filled by cooperative students for a three or six-month period and where it is not necessary for the same student to return in succeeding industry periods.

	1968-69	1969-70	1970-71	1971-72	1972-73
Total training programs	560	600	608	600	476
Total temporary programs	510	565	640	656	586
	1,070	1,165	1,248	1,256	1,062

CLASSIFICATION OF INDUSTRY AND BUSINESS EMPLOYING COOPERATIVE STUDENTS

	1970-71	1971-72	1972-73
Manufacturing, durable goods:			
Electrical machinery, equipment and supplies	61	54	49
Fabricated metal industries	38	36	44
Machinery, except electrical	17	14	15
Primary metal industries	32	21	19
Stone, clay, and glass products	7	10	10
Transportation equipment	11	16	11
Lumber and wood products	3	3	0
Professional and photographic equipment	6	4	4
Total	175	158	152
Manufacturing, nondurable goods:			
Chemical and allied products	59	52	51
Petroleum and coal products	14	22	12
Food and kindred products	23	31	37
Printing, publishing, and allied products	15	15	6
Paper and allied products	11	5	9
Rubber products	3	5	6
Textile mill products	12	11	8
Not specified	7	32	9
Total	144	173	138
Professional and related services	258	281	244
Retail trade	130	179	152
Finance, insurance, real estate	81	76	64
Utilities and sanitary services	34	33	20
Construction	90	87	83
Research and development	79	70	63
Public administration	74	46	40
Personal services	44	51	22
Wholesale trade	29	19	17
Business services and repair services	37	20	14
Telecommunications	14	13	13
Entertainment and recreational services	40	31	25
Nonmetallic mining and quarrying	1	2	3
Transportation	18	17	12
Total	929	925	772

Mr. O'Hara. Our next witness is Dean Harry Heinemann of Fiorello H. La Guardia College of the City University of New York.

Dean Heinemann is a recognized leader in cooperative education and his institution has earned a name for itself for its co-op program.

STATEMENT OF HARRY HEINEMANN, DEAN OF COOPERATIVE EDUCATION, FIORELLO H. LA GUARDIA COMMUNITY COLLEGE, CITY UNIVERSITY OF NEW YORK

Mr. Heinemann. I have prepared a statement which I believe you have a copy of. I would like to refer to it as I go through my presentation and perhaps I ought to begin by telling you a little bit about La Guardia Community College.

La Guardia is a comprehensive, 2-year college and part of the City University of New York. The college therefore operates under the university's open-admissions policy. This policy guarantees all graduates of New York City high schools admission to City University.

La Guardia is a new institution, having received its first class of freshmen in 1971. It is a unique institution of higher education in that it was the first community college in the country fully committed to the idea of cooperative education. All students in all programs are required to complete three 13-week full-time work experiences, for which they receive academic credit.

I think it is important for you to understand the kinds of students who come to La Guardia, and why we believe very strongly that cooperative education is an approach to higher education, which enables our students to more fully achieve their purposes in going to college. The students who come to La Guardia are often referred to as "new students." These students are, by and large, first generation college students, often the first in their family to go to college.

We send out our students on their first cooperative experience while they are freshmen. All the students go out. This includes liberal arts and career students, as well as transfer students.

The demographic survey of the 1973 freshman class, presented in appendix A, shows that generally speaking, they come from lower income backgrounds. Sixty-six percent of the students report a family income of below $10,000; about one-third indicate the family income to be under $6,000 per year. Forty-five percent of the freshmen depend mainly on their family for financial support, while an additional 30 percent report that a job is their major source of income. In terms of their father's occupation, 64 percent indicate that their father's work in skilled, semiskilled, unskilled, or service occupations. There is no student at La Guardia whose father is a professional. I am now told this is incorrect. There is one student whose father is a principal.

La Guardia has an ethnically mixed student population. Forty-three percent are white, 34 percent of our students are black, 9 percent are Puerto Rican, and 7 percent are of other Hispanic backgrounds. In addition, a considerable number of La Guardia students are first-generation Greek, Oriental, or Eastern European. English is not the primary language spoken at home for almost one-quarter of our 1973 freshmen.

Finally, our students were not particularly successful in high school. Sixty-six percent of the freshmen report a high school average of below 75. And finally, the primary reason for going to college cited by 89 percent of our freshmen is to improve their economic status.

APPENDIX A

DEMOGRAPHIC SURVEY OF 1973 FRESHMEN—LA GUARDIA COMMUNITY COLLEGE

	Number[1]	Percent[2]
1. Sex:		
Male	426	33
Female	862	67
2. Marital status:		
Single	1,142	89
Married	88	7
Widowed	4	0
Divorced	18	1
Separated	30	2
Other	5	0
3. Veteran:		
Yes	47	4
No	1,202	96
4. Citizen:		
Yes	1,093	85
No	187	15

Footnote at end of table.

APPENDIX A—Continued

DEMOGRAPHIC SURVEY OF 1973 FRESHMEN—LA GUARDIA COMMUNITY COLLEGE—Continued

	Number [1]	Percent [2]
5. Number of years in United States:		
1 to 5	114	9
6 to 10	85	7
11 to 15	52	4
16 or more	1,020	80
6. Ethnic identification:		
White/Caucasian	547	43
Black/Afro-American	427	34
Puerto Rican, born Stateside	88	7
Puerto Rican, born in Puerto Rico	31	2
Spanish, origin other than Puerto Rican	86	7
Oriental	40	3
Other	46	4
7. Living arrangements:		
At home with parents	1,012	79
With relatives or friends of family	51	4
Private room	15	1
Own home or apartment	198	15
Other	1	
8. Helping to support family while in college:		
No	861	70
Yes, under $500 per year	199	16
Yes, $500 to $999 per year	77	6
Yes, over $1,000 per year	92	7
9. Main source of financial support:		
Parents	554	45
Wife or husband	35	3
Job	369	30
Scholarship/stipend	44	4
Loan	46	4
Previous earnings/savings	57	5
GI bill etc	64	5
Other	70	6
10. Activity before college:		
Attending high school	766	60
Working full/part time	370	29
Looking for work	60	5
Armed Services	6	0
Attending other college	19	1
Attending trade school	4	4
Other	52	0
11. First time in college:		
Yes	1,200	94
No	80	6
12. Importance of education to parents:		
Not very important	75	6
Fairly important	257	21
Quite important	396	2
Extremely important	512	41
13. Annual family income:		
Under $4,000	193	17
$4,000 to $5,999	182	16
$6,000 to $7,999	197	17
$8,000 to $9,999	180	16
$10,000 to $14,999	245	22
$15,000 to $19,999	87	8
Over $20,000	46	4
14. Number of siblings:		
None	86	
1	295	21
2	319	25
3	212	17
4	134	10
5 or more	259	20
15. Most important factor in decision to go to college:		
Did not know what else to do	14	1
Learn trade or prepare for a career	1,136	89
Avoid/postpone military service	1	0
Satisfy parents, etc	16	1
Just to get education	111	9
16. Father's line of work:		
Unskilled	190	17
Semiskilled	175	16
Service	126	12
Skilled	205	19
White collar	83	8
Small business	76	7
Large business	49	4
Professional	2	0
Does not apply	147	13

See footnotes at end of table.

APPENDIX A—Continued

DEMOGRAPHIC SURVEY OF 1973 FRESHMEN—LA GUARDIA COMMUNITY COLLEGE—Continued

	Number[1]	Percent[2]
17. Mother's line of work:		
Unskilled	142	12
Semiskilled	117	10
Service	17	1
Skilled	14	1
White collar	151	13
Small business	15	1
Large business	10	1
Professional	42	4
Housewife	583	50
Does not apply	80	7
18. Father's Education:		
Grade school	211	18
Some high school	287	25
Finished high school	327	28
Business or trade school	68	6
Some college	60	5
Finished 2-yr college	28	2
Finished 4-yr college	43	4
Some graduate school	14	1
Attained graduate degree	14	1
Don't know	105	9
19. Mother's Education:		
Grade school	254	19
Some high school	325	26
Finished high school	431	35
Business or trade school	48	4
Some college	57	5
Finished 2-yr college	25	2
Finished 4-yr college	28	2
Some graduate school	12	1
Attained graduate degree	16	1
Don't know	56	5
20. Other members of family in school:		
In elementary school	383	30
In junior high school	321	25
In senior high school	524	41
In college	337	25
In graduate school	38	3
21. Primary language spoken at home:		
English	982	77
Spanish	172	14
Italian	22	2
Greek	21	2
French	17	1
Slavic	18	1
Oriental	27	2
Semitic	4	0
German	10	1
Other	0	0
22. Curriculum:[4]		
Accounting	179	14
Business administration	147	12
Data processing	150	12
Secretarial science	330	26
Liberal arts	241	19
Business management	31	2
Human services	143	11
Occupational therapy	44	3
None of the above	6	0
23. Planning career in this area:		
Yes	811	64
No	68	5
Undecided	390	31
24. Main reasons for selecting LaGuardia:[3]		
Location of college	284	22
Low grade average	65	5
Parental pressure	19	1
College's curricula	404	31
Cooperative education program	640	50
H.S. counselor's advice	80	6
Reputation of college	81	6
Rejected elsewhere	120	9
25. Future plans:		
Academic life	145	12
Business life	397	33
Professional life	155	13
Technican/craftsman	72	6
Creative/artistic life	41	3
Homemaking	49	4
Other	73	6
Undecided	286	23

See footnotes at end of table.

APPENDIX A—Continued

DEMOGRAPHIC SURVEY OF 1973 FRESHMEN—LA GUARDIA COMMUNITY COLLEGE—Continued

	Number[1]	Percent[2]
26. Continue education after college:		
Yes	488	39
No	104	8
Undecided	644	52

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[1] Based on 1,290 surveys collected from martriculating freshmen. Items left blank are not counted in these figures.
[2] Rounded to nearest whole percent, and based only on completed items.
[3] Nonexclusive, multi-choice items.
[4] The data reported in item 22 represent reported curriculum of choice, not actual registration figures, which vary somewhat in distribution.
[5] Nonexclusive, multi-choice items.

Mr. HEINEMANN. Our studies indicate that the vast majority of students choose La Guardia because of its cooperative education program. The sharp increase in enrollments is perhaps one indication of student interest in cooperative education. Total full-time enrollment in the fall quarters of 1971, 1972, and 1973 was 540, 1,428, and 2,295, respectively.

Cooperative education makes it financially possible for most of our students to attend college. Even though we are a free-tuition institution, the costs of attending college—including books, fees, transportation and maintenance, are significant. In addition, one must realize the opportunity costs of attending college—that is, the income lost to the student by not entering the labor market after graduating from high school is very great, especially where young people are expected to add to the economic well-being of the family as soon as possible.

In general, the average student coming to La Guardia earns an average of $100 per week on his/her work assignment. Given the structure of our program, over a 2-year period, the average student can expect to earn about $4,000. We estimate that during the 1973–74 academic year, our students will have earned approximately $2 million in income through productive work.

To give some indication of how these earnings affect our student population, the college this year received $254,058 of Federal aid. Of our full-time student body, 763 applied under current guidelines, for financial aid. With the amount of financial aid available, the college has been able to support only 283 students.

I should also note that most of our students go out on their first cooperative education experience in either the third or fourth quarter of their freshman year. Many of our students, therefore, need assistance up until the point where they go out on their first job. The fact that we are a cooperative education college enables us to concentrate the limited amount of financial aid we receive on the freshmen, providing financial support up to the point where they go out on a cooperative education assignment. It is my opinion that, with the level of financial aid received by the college, the needs of our student body are such that without the income provided by cooperative education, large numbers of our students would find it extremely difficult to complete their college experience.

The financial aspect of cooperative education, although important, is not the primary goal of the program. The college is dedicated toward developing an educational program whereby the work setting becomes an integral part of the student's learning experience. The field placement is viewed as an educational laboratory, where the student can practice and demonstrate comprehension of what has been learned in the classroom, and where he can also advance his knowledge and further develop his skills. The cooperative education program thereby provides students with planned field experiences—with the objective of bringing relevance and motivation to classroom learning. The program seeks to provide a total climate of learning where personal and intellectual growth and development are stimulated. More specifically, the objectives of the college cites four.

They are: Develop increased knowledge and skills in a major field of study;

Explore different career possibilities;

Obtain experiences which will promote educational as well as personal growth; and

Develop an understanding of the world of work.

There are two basic components of La Guardia's cooperative education program: The internship, or work assignment itself, and second, a related seminar taken concurrently with the field experience. The latter is designed to strengthen the educational outcome of the internship by increasing the student's understanding of the field experience and its relation to classroom learning.

I have presented what equalled the internship opportunity listing. This is a listing of the kinds of positions available to our students and this refers to the summer quarter.

Appendix B is a listing of our current cooperative education placements. We believe that they represent positions that students would not have been able to obtain on their own. These were carefully developed by the members of our staff and, working with our staff, students were carefully and individually placed according to their educational goals. In these positions, we believe our students have exposure to institutions, organizations, people, and even places to which they have not been exposed before. Our students, by and large, are quite provincial. Many have rarely been in Manhattan and fewer still have had the experience of working in a corporate setting.

APPENDIX B

LAGUARDIA COMMUNITY COLLEGE, DIVISION OF COOPERATIVE EDUCATION

SPRING QUARTER "A" PATTERN INTERNSHIP LIST 1974

[Legend: × = College work study, ×× = College work study/Urban Corps, ××× = Nonpaid/volunteer, SD = Student developed own internship]

Class major and student	Status	Internship	Coordinator
320—Abbene, Eugene		NYU, computer operator	Jim Tso.
336—Abinanti, Nancy		Union Carbide, secretary/stenographer	Dorrie Williams.
102—Acevedo, Raymond		NYC Finance Administration, intern	RL.
102—Acosta, Mercedes		Board of education, accountig clerk	John Leonard.
037—Allen, Eddie	×	Westside Chembar of Commerce, administrative assistant.	Jim Tso.
341—Allen, Patricia		UMS Blue Shield, return clerk check	John Leonard.
120—Arbucci, Barbara		Lerner Stores, data control clerk	George Schwartz.
308—Arfi, Anthony		Sam Goody, manager trainee	Marshall Raines.
137—Armstrong, Marjorie	SD	Sacred Heart School, student aide	Harry Salant.
302—Arriaga, Farley	SD	Elmhurst General Hospital, accounting clerk	John Leonard.
102—Austin, Theodore		Mays Department Store, accounting clerk	John Weigel.
337—Banks, Patricia		UMS Blue Shield, records dist. clerk	John Leonard.
337—Barger, Ronald	×××	Jamaica service program, group worker trainee.	RR.
120—Barmore, Paulette		UMS Blue Shield, offset clerk	John Leonard.
308—Barrett, James		Equitable Life Assurance, purchasing trainee.	Ben Baim.
300—Bates, Deborah		National Starch & Chemical, customer service trainee.	Jim Tso.
141—Batini, Robert		Gateway National Park, park aide	Do.
137—Bell, Cathy		La Guardia WLGC, station manager	Cathy Farrell.
102—Bennett, Ruth		Banco Popular, accounting clerk	John Leonard.
337—Berger, Steven		NYC Planning Transportation, urban planner	Eleanor Gittens.
120—Bermudez, Yolanda	SD	Eastern district High School, assistant teacher.	John Leonard.
336—Blatt, Zahava		Lebenkoff & Coven, secretary trainee	Jim Tso.
136—Block, Claire		Eastern Marketing Development Center, clerk typist/secretary.	Do.
237—Boines, Harold		La Guardia security, Guard	Cathy Farrell.
108—Bourne, Anthony		NYC Finance Administration, intern	RL.
136—Bower, Susan		Monsanto Textiles, floating secretary	MC.
020—Boyd, Walter		Alexanders Department Store, DP clerk	Dorrie Williams.
106—Bradshaw, Mary		Alexanders Department Store, manager assistant.	Do.
136—Brana, Carmen		Dewey, Ballantine, Bushby, Palmer, Wood, Sten/Typist.	HM.
237—Brenes, Arminda		District 24 Q., teacher asst	Eleanor Gittens.
008—Brisbane, Bonnie		NYC Finance Administration, intern	RL.
108—Brody, Betty	SD	Retail Credit Co., dictaphone typist	NC.
320—Brotzman, Michael		CUNY, computer operator	John Leonard.
136—Brown, Cynthia		Bulova Watch Co., dictaphone typist	Harry Salant.
120—Brown, Debra		UMS Blue Shield, offset clerk	John Leonard.
102—Brzuszewski, Catherine		Standard Financial, collection assistant trainee.	Jim Tso.
336—Bunch, Renee		Jackson & Kupperman, legal secretary	MC.
336—Burke, Annmarie		La Guardia, Co-op education administrative assistance.	Ben Baim.
320—Byrd, Mary		Bowery Savings Bank, teller	John Weigel.
137—Gacioppo, Roberta		Board of Education Reimbursable Funds, student aide.	Eleanor Gittens.
020—Caldara, Vincent	SD	McDonalds, crewman	John Leonard.
308—Calvo, Fernando		Freshway foods, cost analyst	Jim Tso.
302—Camperlengo, John		Select magazine, account trainee	MC.
136—Caprarella, Antoinett		Broadcast Music, Inc., junior secretary	Dorrie Williams.
136—Cardinale, Maria		Marine Midland Bank, floating secretary	John Leonard.
102—Carlino, Edward		Boys Club of Queens, security guard	Do.
020—Carter, Brenda		Continental Can Co., section head coding control.	John Weigel.
008—Celifie, Jessie		LaGuardia Coop Ed, co-op aide	Cathy Farrell.
008—Chan, Brian	SD	Kapok Hotel & Restaurant, hotel management trainee.	Jim Tso.
002—Chan, Harvey		Slavenberg Corp., accounting clerk	Do.
020—Cinturatti, Anthony	SD	Burger King, intern	John Leonard.
102—Ciccone, Peter		LaGuardia, accounting laboratory assistant	John Weigel.
136—Cinquemani, Lorraine		Union Carbide, junior secretary	Dorrie Williams.
120—Ciotta, Anthony		CUNY, computer operator	John Leonard.
337—Clark, Cheryl		St. Joseph School, teacher aide	Jim Tso.
102—Clark, Marie		NYU, clerk accounting	Do.
136—Clarke, Jennifer		Commercial Union Assurance, legal secretary.	Do.
237—Coachman, Robert	SD	NYC Transit Authority, intern	MC.
102—Conroy, John		Union Carbide, mailroom clerk	Dorrie Williams.
137—Constant, Florence		National Parks, park aide	Jim Tso.
120—Cook, Dorathea		LaGuardia, DP laboratory assistant	John Weigel.
120—Cooke, Marian		CUNY, computer operator	John Leonard.
136—Corcione, Lucille	SD	Kythera, Ltd., secretary, administrative assistant.	Dorrie Williams.

APPENDIX B—Continued

LAGUARDIA COMMUNITY COLLEGE, DIVISION OF COOPERATIVE EDUCATION—Continued

SPRING QUARTER "A" PATTERN INTERNSHIP LIST 1974—Continued

[Legend: X = College work study, XX = College work study/Urban Corps, XXX = Nonpaid/volunteer, SD = Student developed own internship]

Class major and student	Status	Internship	Coordinator
237—Craig, Ronald		LaGuardia, part-time placement counselor	Cathy Farrell.
136—Crawford, Brenda		NYU, secretary trainee (library)	Jim Tso.
136—Cremmins, Claire		Gateway national parks, secretary	Do.
136—Cropper, Cheryl		Union Carbide, teletype operator	Dorrie Williams.
137—Crossland, Thomas	SD	U.S. Postal Service, carrier	Harry Salant.
102—Cruz, Robert		Macy's Department Store, buyer sales trainee.	RR.
136—Cunningham, Mary		Bankers Trust, junior secretary	Dorrie Williams.
220—Currie, Joy		ICD Research & Rehabilitation, rehabilitation aide.	Harry Salant.
336—Czark, Kathleen		NYC Corporation Council, legal secretary	MC.
102—Damico, Catherine		JK Lasser, accounting intern	George Schwartz.
136—Deceglie, Angela		Kurz Liebow, secretary trainee	Jim Tso.
237—DeJesus, Maria		District 30 Reimbursable Funds, student aide.	ERG.
108—DeLavega, Guido		Alexander's Department Store, manager assistant.	Dorrie Williams.
337—Deligianis, Anna		Blue Corss, home care nurse examiner	John Leonard.
437—Dellagiarino, John	SD	LaGuardia Student Activities, intern	Cathy Farrell.
436—Delmaestro, Jean	SD	Reuben Schwartz & Silverberg, legal secretary.	Kate Liebhold.
108—Demarco, Frank		Irvington House, salesperson	Cathy Farrell.
241—Depietto, Debra		Raggedy Andy School, teacher assistant	Sheila Gordon.
136—Desimone, Mary		Bankers Trust, junior secretary	Dorrie Williams.
302—Devos, Ronald		Leasco (Reliance Group, Inc.) accounting trainee.	RR.
141—Diaczun, Jane	SD	Alexander's Department Store, manager assistant.	Dorrie Williams.
337—Distefano, Karin		Health Maintenance Center, receptionist/paramedical.	John Leonard.
036—Dixon, Pamela		Polytechnic Institute, typist I WPC	John Leonard.
336—Dobia, Rose		Bankers Trust, junior secretary	Dorrie Williams.
137—Doucette, Russell		Gateway National Parks, maintenance	Jim Tso.
120—Drapala, Cynthia		Bowery Savings Bank, data processor	John Weigel.
337—Dumicich, Romanita		St. Catherine of Siena, school aide	Jim Tso.
336—Duphrezin, Kettly		Union Carbide, junior secretary	Dorrie Williams.
220—Duran, Robert	SD	NY Telephone, switchman	John Leonard.
037—Ensley, William		College helpers, physical education instructor.	Jim Tso.
136—Espinosa, Alice		LaGuardia Human Development Center, secretary.	Do.
414—Evangelista, Paulaann		District 30 reimbursable funds, student aide.	Eleanor Gittens.
102—Faison, Andrew		Swingline Staple, accounting clerk junior	Harry Salant.
102—Ferri, Nick		Standard Factors, collection trainee	Jim Tso.
102—Fisher, Linda		NYC Finance Administration, intern	RL.
341—Fitzgerald, Kathryn		New York Bank for Savings, teller trainee	RR.
337—Flowers, Remona		Gateway National Parks, personnel clerk typist.	Jim Tso.
120—Fontaine, Patricia		Rockefeller Foundation, file clerk	George Schwartz.
137—Foster, Victor		Gateway National Parks, maintenance	Jim Tso.
037—Frawley, Jim		LaGuardia Security, guard	Cathy Farrell.
037—Free, Kim	X	Henry Street Family Center, teacher aide	RR.
137—Fritz, Karen		National Parks (Gateway), coordinator	Jim Tso.
136—Fronc, Bernadette		LaGuardia Admissions, assistant secretary	Cathy Farrell.
120—Fuerch, Alice		IBM Yorktown Heights, DP clerk	Dorrie Williams.
102—Gagliardi, Joanne		S. & S. Systems, intern	John Weigel.
037—Gallagher, Elizabeth		Sullivan & Cromwell, proofreader	HM.
302—Gambino, Nina		Eisner & Lubin, accounting assistant	George Schwartz.
136—Garbacz, Alexandria		Atlantic Mutual Insurance, dictaphone typist.	NC.
141—Gasparre, Bruce		LaGuardia Media Productions, intern	Cathy Farrell.
137—Gazaleh, Paule	SD	European American Bank, office assistant	NC.
136—Geffken, Geraldine		Bankers Trust, junior secretary	Dorrie Williams.
137—Gerber, Ingrid		Manufacturers Hanover Trust, secretary	Ben Baim.
337—Gerold, Linda	XX	Jamaica Service Program, group worker trainee.	RR.
337—Geus, James		Harshe Rotman Druck, mailroom messenger	MC.
020—Gilliam, Anthony	SD	U.S. Customs House, computer operator	Cathy Farrell.
102—Gindi, Fatin		Hearst Publications, account sclerk	John Leonard.
337—Glassman, Steven		College Helpers, physical education instructor.	Jim Tso.
102—Gmuer, Bernadette		Lionel D. Edie, statistical clerk	Do.
220—Gonzalez, Gustavo		UAPC, computer trainee	John Weigel.
102—Gonzalez, Johnny		NYC Finance Administration, intern	RL.
137—Gonzalez, Lucy		Bergdorf Goodman, Big sales trainee	RR.

APPENDIX B—Continued

LAGUARDIA COMMUNITY COLLEGE, DIVISION OF COOPERATIVE EDUCATION—Continued

SPRING QUARTER "A" PATTERN INTERNSHIP LIST 1974—Continued

[Legend: X=College work study, XX=College work study/Urban Corps, XXX=Nonpaid/volunteer, SD=Student developed own internship]

Class major and student	Status	Internship	Coordinator
136—Gonzalez, Miriam		Atlantic Mutual Insurance, clerk typist	NC.
337—Goode, John		LaGuadia, A. V. intern	Cathy Farrell.
337—Graham, Willie		College Helpers, arts and crafts instructor	Jim Tso.
220—Granger, Wilson		McDonald Micradata, microfilm assistant	Dorrie Williams.
337—Greenberg, Dorothy	XXX	St. Catherine of Siena, student aide	Jim Tso.
237—Grippi, Nick		Alexanders Department Store, manager assistant.	Dorrie Williams.
302—Grosshandler, Samuel		Union Carbide, mailroom clerk	Do.
102—Grimaldi, John		Century Industries, accounts receivable clerk.	Jim Tso.
302—Gudat, Paul		Standard & Poors, statistical clerk	John Weigel.
320—Gunn, Jennifer	SD	Swingline Stapler, computer operator	John Leonard.
108—Hall, Reginald		Manufacturers Hanover Trust, teller trainee	Ben Baim.
102—Hallberg, Richard		NYC Finance Administration, intern	RL.
036—Hamer, Sophia		Gateway National Parks, clerk typist	Jim Tso.
337—Hansen, Marie	XXX	St. Catherine of Siena student aide	Do.
108—Harrison, Mabel		NYC Corporation Council, legal secretary	MC.
320—Hatzidimitriou, Angel		Manufacturers Hanover Trust, teller trainee	Ben Baim.
008—Havran, Paul	SD	Harley Davidson, mechanic	John Leonard.
037—Henley, Linda		ABC Preschool, teacher aide	Harry Salant.
037—Henry, Madeline		American Field Service, winter program coordinator.	Cathy Farrell.
137—Henry, Marybeth		District 30 Reimbursable Funds, student aide.	Eleanor Gittens.
336—Hernandez, Nancy		NYU, secretary trainee	Jim Tso.
137—Hershkowitz, Martin		LaGuardia Security, guard	Cathy Farrell.
102—Horton, Elisha		IBM Corp., accountant	Dorrie Williams
241—Houston, Samuel	SD	LaGuardia College, assistant director, human development.	John Leonard.
102—Hriscicse, Michael		W. T. Grant, mailroom clerk	Dorrie Williams
036—Hunsinger, Anna		Morgan Guaranty Trust, secretary	John Leonard.
102—Hutchings, Ronnie		Haskins & Sells, accounting clerk (payroll).	John Weigel.
136—Jack, Sharon		NYC Corporation Council, legal secretary	MC.
102—James, Jeffrey		NYC Finance Administration, intern	RL.
136—Jederlinic, Maryellen		J. Walter Thompson, MTST operator	HM.
108—Johnson, Katherine		Manufacturers Hanover Trust, teller trainee	Ben Baim.
408—Johnston, Mary		Manufacturers Hanover Trust, investment trainee.	Do.
237—Jones, Charles		LaGuardia Housing, intern	Cathy Farre
137—Jones, Cheryl		Hospital Audiences, Inc., assistant	Ben Baim
237—Jones, Dale		National Parks, park aide	Jim Tso.
137—Jones, Joyce	SD	WINS Radio, accounts receivable trainee	RR.
136—Jorge, Lori		NYC Corporation Council, legal secretary	MC.
137—Kaiser, Lorraine		American Field Service, air travel agent	Cathy Farrell.
137—Kallenbach, Roswitha		National Parks, personnel assistant clerk	Jim Tso.
037—Karahalios, Vanessa	XXX	Transfiguration School, teacher aide	Do.
108—Kehoe, Robert		Equitable Life Assurance, inventory control clerk.	Ben Baim.
237—Kelly, Karen		National Parks Statue of Liberty, park aide	Jim Tso.
237—Kenney, Elizabeth		La Guardia Library, intern	Cathy Farrell.
102—Kincle, Richard		NYC Finance Administration, intern	Ray Lewis.
008—King, Harold		Progressive Market, Inc., stock and clerk cashier.	NC.
302—Kinselauskas, Kathleen		Sterling National Bank, junior credit clerk	Jim Tso.
237—Kornrumpf, Jean		York College, audiovisual aide	Do.
137—Kovelman, Bernice		La Guardia Co-op Ed., co-op aide	Cathy Farrell.
120—Kwong, Gloria		George Buck, actuarial trainee	Ben Baim.
337—Lachow, Susan		Gateway National Parks, assistant wildlife preserver.	Jim Tso.
136—Lackner, Lorraine		Aspen Music Festival, secretary trainee	Marshall Raines.
336—Lagana, Donna		Delson & Gordon, secretary	Ben Baim.
336—Lama, Esthela		McGraw Hill, junior secretary	Dorrie Williams.
136—Landi, Sandra		Anaconda Copper, associate corresponding secretary.	Jim Tso.
102—Lasaracina, Anthony		Prudential Grace Lines, accounting clerk	Do.
102—Lavva, Diamando		Continental Can Co., accounts receivable clerk.	John Weigel.
136—Lee, Deberah		Fiduciary Trust, junior secretary	Dorrie Williams.
308—Lelo, Irene		Montgomery Ward, detail assistant (department 17).	George Schwartz.
120—Lind, Bruce		Fairfield Noble Corp., programer trainee	RW.
202—Loffredo, Anthony		UMS Blue Shield, offset clerk	John Leonard.
037—Long, Chester		NYC Finance Administration, intern	Ray Lewis.
037—Louis, Yvonne		La Guardia Natural Environment, intern	Cathy Farrell.
108—Lovelace, Andrea		E. J. Korvettes, manager assistant	Dorrie Williams.
302—Lowry, Craig		Rockefeller Foundation, accountant clerk	George Schwartz.
36—Lopez, Noemi		American Heart Association, secretary	Eleanor Gittens.

APPENDIX B—Continued

LAGUARDIA COMMUNITY COLLEGE, DIVISION OF COOPERATIVE EDUCATION—Continued

SPRING QUARTER "A" PATTERN INTERNSHIP LIST 1974—Continued

[Legend: × =College work study, ×× =College work study/Urban Corps, ××× =Nonpaid/volunteer, SD=Student developed own internship]

Class major and student	Status	Internship	Coordinator
136—Lucca, Rosemarie		Marine Midland Bank, floating secretary	John Leonard.
141—Magdo, Maria		Standard Factors, factoring trainee	Jim Tso.
136—Maniscalco, Donnamari		Bernhard Ulmann, data control clerk	Harry Salant.
137—Marangiello, Richard		Leviton Manufacturing Co., merchandise inspector.	Do.
120—Marino, Marian		New York blood program, junior programer aide.	John Leonard.
236—Martin, Carol		Exxon Corp., executive secretary trainee	John Weigel.
136—Martinez, Irma		Prudential Grace Lines, clerk typist	Jim Tso.
302—Maiiera, Deborah		Manufacturers Hanover Trust, teller trainee.	Ben Baim.
137—Mays, Margo		Langston Hughes, library assistant	Eleanor Gittens.
036—McBryde, Laverne		Bankers Trust, junior secretary	Dorrie Williams.
108—McCurry, Richard		Manufacturers Hanover Trust, teller trainee.	Ben Baim.
320—McGovern, Catherine		New York blood program, statistical research aide.	John Leonard.
136—McLaughlin, Mary		Sears Roebuck & Co., secretary	George Schwartz.
037—McRae, James		LaGuardia Security, guard	Cathy Farrell.
337—Menna, Joseph		LaGuardia Media Production, intern	Do.
141—Meserole, Marc	SD	Kent Costik Yan Inc., manager trainee	NC.
008—Michael, Chris		Real Estate Partners of America, office assistant.	Jim Tso.
136—Michilena, Cecilia		LaGuardia Human Services, secretary	Cathy Farrell.
220—Miles, Thomas		CUNY, computer operator	John Leonard.
108—Miller, Barbara		Century Industries, order board credit trainee.	Jim Tso.
108—Mills, Timothy		Alexanders Department Store, manager assistant.	Dorrie Williams.
120—Milos, Maria		Lerner Shops, data control clerk	George Schwartz.
137—Miserandino, Barbara		Bryant High School, library aide	Harry Salant.
302—Moncino, David		Ridgewood Savings Bank, auditing trainee	John Weigel.
137—Montrose, Tamah		District 30 Board of Education reimbursable funds, student aide.	Eleanor Gittens.
336—Mooney, Lorraine	SD	Bonwit Teller, secretary	Kate Liebhold.
202—Moore, Sheila	SD	Nathalie's Southern Cusine, bookkeeper	MC.
120—Morales, Dalia		David Crystal, data control/typist	John Leonard.
136—Morales, Nydia		Sears Roebuck & Co., secretary	George Schwartz.
020—Munoy, Edgar		Mays Department Store—IBM control clerk	John Weigel.
136—Murken, Linda		LaGuardia Natural Environment, secretary	Cathy Farrell.
337—Musumeci, Robert		Alternate Placement Firm, intern	Do.
108—Nettleton, Michael		Triangle Conduit & Cable, BA trainee	John Leonard.
308—Nevins, Beth		CIEE, travel association	Cathy Farrell.
136—Noble, Vinneah		American Field Service, American abroad coodinator.	Do.
137—Nosworthy, Sandra		Bryant High School, teacher aide	Harry Salant.
302—Nubile, Susan		Bergdorf Goodman, credit and office trainee.	RR.
237—O'Malley, William		Botwill & Gallagher, management trainee	Ben Baim.
136—Ortner, Margaret		Sterling National Bank, clerk typist/accountant trainee.	Jim Tso.
336—Padalec, Olga		LaGuardia Registrar, clerical assistant	Do.
136—Padillo, Edna	×	Knickerbocker Theater, physicians aide	Eleanor Gittens.
137—Palma, Toby		Gateway National Park, maintenance	Jim Tso.
136—Palumbo, Diane		LaGuardia Co-op education, Co-op aide	Cathy Farrell.
137—Pares, Margaret	SD	Bankers Trust, cable and testing secretary	RR.
137—Parris, Laura		William Greaves Production, bookkeeper/	NC.
320—Paulus, Barry		CUNY computer operator	John Leonard.
302—Pennasilico, Patricia		Colgate Palmolive, sales accountant clerk	John Weigel.
202—Perkuhn, Jeanette		Independent Magazine District, accountant clerk.	John Leonard.
037—Perez, Louis		LaGuardia Part-Time Placement, intern	Cathy Farrell.
136—Petagine, Donna		NYC Corporation Council, legal secretary	MC.
236—Petty, Cynthia		Health Maintenance Center, clerk typist	John Leonard.
136—Pimental, Sally		Exxon Corp., executive secretary trainee	John Weigel.
302—Pitta, Lynn		S.D. Leidesdorf, proofreader	Harry Salant.
341—Popke, Linda		Colombia Savings Loan, teller	John Weigel.
337—Proch, John	×××	Coney Island Hospital, intern	Eleanor Gittens.
336—Quinn, Ellin		Sharman & Sterling, legal secretary	MC.
302—Ramirez, Kettys	SD	Irwill Knitweark, bookkeeper	RR.
302—Ramondino, Terriann		Loews Corp., accounting clerk	Jim Tso.
036—Ranga, Yasmin		Jobs for Youth, secretary/receptionist	NC.
102—Ray, John		Bernhard Baruch College, computer operator.	John Leonard
108—Ray, Mitchell	×××	St. Catherine of Siena, teacher aide	Jim Tso.
108—Rehm, Mark		UMS Blue Shield, numbering/microfilm clerk.	John Leonard.
137—Restuccia, Janice		NYC Finance Administration, intern	RL.
337—Rice, Carolyn		Life Skills School, teacher assistant	Eleanor Gittens.

APPENDIX B—Continued

LAGUARDIA COMMUNITY COLLEGE, DIVISION OF COOPERATIVE EDUCATION—Continued

SPRING QUARTER "A" PATTERN INTERNSHIP LIST 1974—Continued

[Legend: × =College work study, ×× =College work study/Urban Corps, ××× =Nonpaid/volunteer, SD =Student developed own internship]

Class major and student	Status	Internship	Coordinator
302—Richardsen, Daisy		Bloomingdales, accounting trainee	RR.
120—Riofrio, Nelson		Blue Shield, claims sorting clerk	John Leonard.
136—Rivera, Karen		Aspen Music Festival, secretary	Marshall Raines.
337—Riley, Evelyn		Martins Department Store, lady detective	NC.
037—Rizzuto, Dennis	SD	Eastern Airlines, public relations intern	RR.
220—Robinson, Glenda		Continental Can Co., I/O control clerk	John Weigel.
220—Robinson, Michelle		Jobs for Youth, assistant job developer	NC.
137—Rodriguez, Mercedes		NYC Finance Administration, intern	RL.
137—Rodriguez, Mercedes		NYC Finance Administration, intern	Ray Lewis.
037—Roldan, Gladys	SD	CT Corp., clerical assistant	John Leonard.
208—Roots, Dennis		LaGuardia Security, guard	Cathy Farrell.
302—Rossi, Luis		United States Steel International, order entry intern.	Marshall Raines.
120—Rothwell, Teresa		ICD Research & Rehabilitation, teacher aide.	Harry Salant.
302—Ruggieri, Elvira		S.D. Leidesdorf, proofreader	Do.
136—Russo, Carmelina		Standard Factors, secretary	Jim Tso.
136—Sakal, Kathleen		NYC Finance Administration, intern	RL.
136—Sakellarides, Karen		Manufacturers Hanover Trust, secretary	Ben Baim.
136—Sanchez, Maritza		Exxon Corp., executive secretary trainee	John Weigel.
308—Santana, Martha		Exxon Corp., accounting clerk, aviation	Do.
337—Santonastaso, Robert		NYC Planning, research aide	RR.
137—Saraco, Charles	SD	Linder Oldsmobile, parts salesman	John Weigel.
137—Sausto, Roseanne		Gateway National Parks, assistant athletic sports.	Jim Tso.
036—Scalpi, Janice		Gateway National Parks, secretary/clerk typist.	Do.
102—Scenna, Patricia	SD	S. Klein, cashier/sales clerk	John Weigel.
037—Schecter, Arthur		LaGuardia Media Productions Studio	Cathy Farrell.
236—Schlesinger, Susan	SD	Dr. A. Brown, dental assistant	MC.
337—Schneider, Joseph		P.S. 150 Q., student aide	Eleanor Gittens.
037—Schrettner, Eileen		American Field Service, guard	Cathy Farrell.
236—Scorcia, Grace		Bankers Trust, junior secretary	Dorrie Williams
336—Scorcia, Antonietta		do	Do.
136—Schwab, Barbara		York College, clerk typist/secretary trainee	Jim Tso.
137—Sewer, Rodney		Jobs for Youth, counselor	NC.
320—Shapiro, Alan		Hearst Publications, assistant programer	John Leonard.
141—Sheridan, Joseph		Flowerama, assistant manager	Harry Salant.
208—Shervington, Lemuel		Trousers Up, supervisor	Jim Tso.
302—Simmons, Linda		Standard & Poors, statistical clerk	John Weigel.
137—Simpkins, Deborah		NYC Finance Administration, intern	RL.
136—Smith, Patricia		NYC Corporation Council, legal secretary	MC.
237—Solomon, Richard	SD	Addiction Research & Control Corp., intern	MC.
102—Sprance, Robert		Gateway National Parks, maintenance	Jim Tso.
237—Spurkel, Guillermina		Howard Fuel, visual card assistant	George Schwartz.
137—St Bernard, George	SD	A Morrow Associates, assistant photographer.	RR.
208—Steigman, Eric		Waldbaums Inc., management trainee	Jim Tso.
337—Stringile, Maryann		LaGuardia, writing center tutor	Cathy Farrell.
120—Subero, Brian		UAPC, computer trainee	John Weigel.
336—Suri, Wilma	SD	CUNY, graduate center, student aide	Harry Salant.
108—Synott, William		Manufacturers Hanover Trust, teller trainee	Ben Baim.
337—Tabano, Louann	×××	St. Catherine of Siena, student aide	Jim Tso.
136—Talley, Gerene		York College, secretary trainee	Do.
336—Tannhauser, Maryann		Manufacturers Hanover Trust, secretary	Ben Baim.
137—Tennie, Kevin		Manufacturers Hanover Trust, teller trainee.	Do.
037—Teroyin, Rosario		Electra Security Corp., security guard	Jim Tso.
037—Tompson, Tanya		NYC Finance Administration, intern	Ray Lewis.
337—Tinajero, Blanca		Planned Parenthood, library assistant	Sheila Gordon.
136—Toliver, Avia		Exxon Corp., executive secretary trainee	John Weigel.
302—Tomasulo, Donna		J. K. Lasser, proofreader/bookkeeper	George Schwartz.
037—Valgemae, Mare		LaGuardia Reading Lab, assistance	Jim Tso.
037—Vasquez, Robert		LaGuardia Art Studio, intern	Cathy Farrell.
136—Velez, Virginia		Seamans Bank for Savings, secretary	John Leonard.
002—Vespe, Frank		Century Industries, accounts receivable clerk.	Jim Tso.
137—Vignola, Arlene		LaGuardia Co-op Ed., administrative assistant.	Cathy Farrell.
320—Virella, Gladys		CUNY, computer operator	John Leonard.
136—Walker, Catherine		S. S. Kresge, secretary	Eleanor Gittens.
308—Walsh, Christopher		Exxon International, account clerk lubes	John Weigel.
336—Walski, Linda		Dezorette & Venner, legal secretary	Jim Tso.
336—Walukiewicz, Marian		Doyle Dane Bernbach, secretary	Ben Baim.
037—Ward, Danielle		LaGuardia, administrative assistant	Cathy Farrell.
136—Ware, Donna		Bankers Trust, junior secretary	Dorrie Williams.

APPENDIX B—Continued

LAGUARDIA COMMUNITY COLLEGE, DIVISION OF COOPERATIVE EDUCATION—Continued

SPRING QUARTER "A" PATTERN INTERNSHIP LIST 1974—Continued

[Legend: X=College work study, XX=College work study/Urban Corps, XXX=Nonpaid/volunteer, SD=Student developed own internship]

Class major and student	Status	Internship	Coordinator
037—Waymer, Charles		Equitable Savings Bank, clerk trainee	Dorrie Williams.
137—Watson, Marlene		Bloomingdales, flying squad trainee	RR.
220—Weisenmuller, Richard		National Parks Statue of Liberty, park aide	Jim Tso.
308—Whitfield, Vonda		Select Magazines, allotment control clerk	MC.
137—Wiley, George		LaGuardia Vets Center, counselor	Cathy Farrell.
020—Wilkerson, Margaret		Gel-Mart Co., I/O control clerk	John Weigel.
037—Williams, Janice	SD	Vera Institute of Justice, interviewer	Kate Liebhold.
237—Williams, Leonard		LaGuardia Photo Lab, intern	Cathy Farrell.
136—Wright, Mildred		Board of Education, clerk-typist	John Leonard.
320—Yiangini, Sophie		NYU, computer operator	Jim Tso.
108—Young, Betty		May's Department Store, buyer trainee	John Weigel.
302—Young, Florette		Century Industries, order board credit trainee.	Jim Tso.
136—Zajac, Rita		LaGuardia Secretarial Lab, tutor	John Weigel.
037—Zaros, Ann		Reliance Group (Leasco), floating secretary	RR.
136—Ziegler, Eileen		LaGuardia (WGLC), station manager	Cathy Farrell.
037—Zuckerman, Steven	SD	LaGuardia Admissions, intern	Do.

Mr. HEINEMANN. To what extent has the college achieved its objectives? The data, which I would like to share with you, indicates to us that we are on the right track. Last year's graduates, who, incidentally, represent the first graduating class in the college's history, were sampled regarding their perceptions of the cooperative education program. A clear majority of the graduates saw their placements as providing them with greater experience in their career areas, greater opportunity to explore careers, and with skills which they did not learn in the classroom. Two-thirds of the respondents felt that cooperative education enabled them to better utilize their classroom experience, and 90 percent thought that their personal growth had been helped by their internships. Most cited the money earned on the work assignments, were reported as being of great importance.

I have also included in appendix C a student-by-student listing of the graduates placed or tracked by the graduate placement office. Employers' names, job titles, and salaries are listed. An average salary of about $7,300 was reported for the total group which, incidentally, is not far below the median family income reported by our 1973 entering freshmen. I should also like to note that, to the best of our knowledge, all of our graduates who sought employment upon graduation were able to obtain a position. Also, as a part of the data collected, graduates working were asked to rate their degree of satisfiaction with their present activities. Ninety-two percent of the students sampled who were working full-time indicated their level of satisfaction to be either excellent or good.

An important measure of the adequacy of academic preparation at La Guardia is the performance of graduates at 4-year institutions.

Generally, first-year transfer students do not do as well as they did in their community colleges, but then afterward they begin to catch up and will do as well, if not better. This is a national phenomenon. Appendix D shows registration statistics and performance data on our transfer students. Although the data represents only one semester's work at a transfer institution, and therefore should be viewed with caution, the data indicate that our students are succeeding in their transfer institution.

APPENDIX C

TABLE 7.10.—INVENTORY OF EMPLOYERS, POSITIONS, AND SALARIES FOR GRADUATES' FULL-TIME PLACEMENTS[1]

Company/agency/institution	Job title	Salary
A. PLACEMENTS VIA INTERNSHIPS		
1—Daniel Yankelovich	Field supervisory trainee	$5,700.
2—Bowery Savings Bank	Junior processor control clerk	$6,500.
3—LaGuardia Community College	Accounting department	Not available.
4—Bankers Trust	Secretary	$7,800.
5—Colgate Palmolive	Accounts receivable clerk	Not available.
6—LaGuardia Community College	Laboratory technician	$10,000.
7—Manufacturers Hanover Trust	Investment review clerk	$6,760.
8—Abraham & Strauss	Not available	Not available.
9—F. S. Smithers & Co	Gal Friday	Do.
10—Kingsborough Bookstores	Management trainee	$2.50/hr.
11—Beneficial Life Insurance	Secretary	Not available.
12—Manufacturers Hanover Trust	Teller	Do.
13—Delson & Gordon	Secretary	$9,100.
14—Canon U.S.A.	Executive secretary	$6,500.
15—Alexanders	Night manager	Not available.
16—Hillside Associates	Accounting assistant	$6,500.
17—N.Y.S. Department of Labor	Secretary	$6,500.
18—Puerto Rican Family Institute	Executive secretary	$8,500.
19—Appleton Electronics	Secretary	Not available.
20—N.Y.C. Corporation Counsel	Legal secretary	$7,800.
21—N.Y.C. Corporation Counsel	do	$7,800.
22—N.Y.C. Corporation Counsel	do	$7,800.
23—N.Y.C. Corporation Counsel	do	$7,800.
24—N.Y.C. Corporation Counsel	do	$7,800.
25—Ford Foundation	Not available	Not available.
26—Macy's	do	Do.
27—New York Bank for Savings	Teller	$5,980.
28—Leasco Corp	Communication assistant	$6,500.
29—Grand Union	Assistant manager trainee	Not available.
30—B. Altman	Assistant buyer	$7,280.
31—Hong Kong Trade Counsel	Trade inquiry	$7,020.
32—National Shoes	Assistant manager trainee	$9,100.
33—Marvin Turetsky, C.P.A.	Administrative assistant (secretary)	$7,800.
34—LTA Realty—Division of Amrep	Executive secretary	$7,300.
35—Bowery Savings Bank	Junior data processing	$5,980.
36—Bowery Savings Bank	Comptometer operator	Not available.
37—Bowery Savings Bank	Programer trainee	Do.
38—Girl Scouts of America	Credit and collection clerk	$6,700.
39—Standard & Poors	Statistical clerk	$6,200.
40—Bankers Trust	Secretary	$7,000.
41—Bankers Trust	do	$7,000.
42—Bankers Trust	do	$7,000.
43—Bankers Trust	do	$7,000.
44—Bankers Trust	do	$7,280.
45—Sony	Data processor	Not available.
B. PLACEMENTS VIA PLACEMENT OFFICE		
46—Rena Day Care Center	Teacher assistant	$7,060.
47—Kane, Dalsimer, Kane	Legal secretary	$8,320.
48—Equitable Life	Programer trainee	$6,500.
49—N.Y.C. Housing and Development	Legal secretary	$7,800.
50—Union Carbide	Assistant to assistant manager	$6,900.
51—Shay Gould	Legal secretary	$8,060.
52—N.Y.C. Board of Education	Secretary	$7,300.
53—Cohn, Glickstein	Legal secretary	$8,480.
54—Chemical Bank	Senior accounting clerk	$7,280.
55—Chemical Bank	Manager trainee	$8,100.
56—Mercantile Stores	Coder	$5,200.
C. PLACEMENTS VIA OTHER METHODS		
57—N.Y.C. Police Department	Police officer	$12,000.
58—Bedford/Stuyvesant Pest Control	Not applicable	Not applicable.
59—A.M.F.	Accounting	$5,200.
60—American Institute of Aeronautics	Data control clerk	$6,760.
61—William Roth Attorney	Legal secretary	$6,760.
62—McGraw Hill	Secretary	$7,520.
63—Reed & Priest	do	$7,280.
64—John Hancock Life Insurance	Agent	$7,800 plus commission.
65—Interstate Store, Port Authority	Accounting	$6,500.
66—Public Service, Mutual Insurance	Secretary	$7,280.
67—Management Assistant, Inc.	Analyst clerk	$6,500.
68—H. Meyerson	Accounting	$11,000.
69—Fitwell Dress Co	Processor	$5,460.
70—Revlon	Secretary	$7,540.
71—Monsanto	Sales correspondent	$7,020.

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[1] Source: Graduate Placement Office.

APPENDIX D

TABLE 7.11.—REGISTRATION STATISTICS AND PERFORMANCE DATA FOR GRADUATE TRANSFER STUDENTS IN 4-YEAR COLLEGES

	City University of New York												
	Baruch	Brooklyn	City	Hunter	John Jay	Lehman	Medgar Evers	Queens	Richmond	York	Total CUNY	SUNY	Other
Attendance data:													
Number allocated	34	7	7	18	6	4	2	58	3	12	151		
Number registered, fall 1973	29	5	4	15	4	2	1	39	2	9	110	9	7
Transcripts obtained	24	5	3	12	0	2	0	31	1	9	87	0	0
Other confirmed registration	0	0	0	3	4	0	0	8	0	0	15	0	0
Nonconfirmed registration [1]	5	0	1	0	0	0	1	0	1	0	8	9	7
Senior college performance [2]:													
Number in group	22	5	3	11	NA	2	NA	29	1	9	82	NA	NA
Mean credits attempted	11.7	13.2	11.3	10.1	NA	6.0	NA	9.8	8.0	9.2	10.4	NA	NA
Mean credits earned	9.5	8.2	11.3	6.7	NA	6.0	NA	7.5	8.0	7.8	8.1	NA	NA
Mean efficiency ratio	81.3	62.1	100.0	65.9	NA	100.0	NA	76.1	100.0	84.3	77.9	NA	NA
Mean GPA (weighted) [3]	2.08	1.83	3.10	2.43	NA	2.50	NA	2.21	4.00	2.06	2.23	NA	NA

[1] Includes individuals who indicated their attendance in the telephone survey.

[2] Does not include 5 students for whom transcripts contain no grades due to leave of absence, unofficial withdrawal, or other reasons.

[3] GPA computed on standard basis of A=4, B=3, C=2, D=1, F=0. These figures cannot be compared directly with LaGuardia GPA's listed in table 7.4.

Mr. HEINEMANN. I suspect, although we have no hard data on this, because of their experience they are better equipped to make better career determinations than students who have not had this experience prior to graduating.

Based upon our experience, I urge you to consider the enormous importance of cooperative education for all students, but particularly for the new student, for the community college student, for the open-admission student, as the support it provides is so very important. There are many colleges that I personally know of that are vitally interested in implementing a cooperative education program. At a time of tight budgets, they are finding it difficult to put together the seed money necessary to start a program. Since our institution has been receiving support under title IV–D, I know the help this financial support has given to us in getting our program started and operating.

I therefore suggest for your consideration that the funding level be substantially increased, in order to allow more colleges, particularly urban-based institutions serving the new student, to begin cooperative education programs.

In addition to supporting new programs, I see the need for the training and professional development of both faculty and administrators with regard to cooperative education. Part of the problem here is the 3-year funding level. I was at a meeting last week where some information was given out as to the kind of institutions which will be receiving grants this year. Here, the number receiving support is not very great. The notion is, as Dr. Collins indicated before, that most of the institutions currently receiving funds will receive continued support. There are many institutions, particularly community colleges, which would like to begin programs but will not be able to do so without Federal support.

I see the need to introduce employers to the concept of cooperative education, so that sufficient positions will be available to meet the needs for work stations as the number of students in cooperative education programs increase.

This point, I believe, was touched on with regard to the testimony of the previous witness. I believe efforts need to be made to train the administrators and the faculty in cooperative education so you have an integration of the classroom experience and the work experience.

At the beginning of April we were involved in New York City, in an employers' conference. I think additional efforts along these lines need to be made. I have some other ideas as to what can be done.

I believe that the further development of cooperative education requires substantive research efforts to ascertain not only the degree to which objectives are achieved, but also the relevant variables that contribute to success. I believe that Federal fiscal support is necessary in order to accomplish these tasks.

Thank you very much for the opportunity to appear before you.

Mr. O'HARA. Thank you very much, Dean Heinemann.

I am impressed by the fact you indicate you were able to place each of your graduates who sought employment and sought your assistance in obtaining employment.

Mr. HEINEMANN. Yes; that is correct.

Mr. O'HARA. What percentage of those could you say were placed in jobs of the sort toward which their education was directed?

Mr. HEINEMANN. In terms of the graduates, in almost every instance.

There are a couple of instances where, because of the softness in the labor market, there was not a direct placement. Data processing would be one example. But outside of that, accounting students, business administration students were placed in areas which they were studying.

Mr. O'HARA. That is one of the most impressive things about the program, to me. Other institutions have reported similar experiences. For example, Drexel has a very high rate of placement in the areas toward which their education is directed. That is certainly a big step up over the traditional education, it seems to me, at least, if I can judge by the traipsing of people through the halls of the Rayburn Building, looking for work.

You have been receiving Federal funds to help with establishing your cooperative program?

Mr. HEINEMANN. Yes.

Mr. O'HARA. Tell me how you have been using those funds? How have they been used and what difference have they made to you?

Mr. HEINEMANN. In the beginning years, tremendous effort had to be made in interesting employers in community college students. This is an entirely different problem for the community college, as most employers have had very, very little experience with regard to the 2-year college graduate.

They ask, what can that student do for us?

We were able through Federal funding to use coordinators to go out and really reach the employer sector so that we could begin to develop the kinds of positions we have listed here. If we did not have the Federal funds, we could not have obtained the numbers and quality of positions we have.

I do not think we would have had the same kind of result I am reporting to you today.

Mr. O'HARA. Are you now receiving Federal funds?

Mr. HEINEMANN. We are receiving Federal funds, yes. We have one application in for funding next year. That will shift our emphasis. The primary thrust of that application will be to integrate the cooperative education experience into the curriculum area. What we want to do is impact of the faculty and encourage the student to maximize, to impact their interests to field experience. We need to make some specific changes which are necessary in the classroom from the way we normally teach.

We find one student will come back from a field experience and state he has had an enormously rich experience. Another student similarly employed will come back and say, "I have learned very, very little." When you begin to explore with the student what has taken place, you find the student has learned things. The student did not have to give back to an individual in a formal examination even though the student did not learn something, did not maximize the amount of learning that could have taken place. I believe much of this has to take place in the classroom. The cooperative educational system has to change and that is what we will be using our money for.

Mr. O'HARA. What do you think of the funding being on a declining percentage basis?

Mr. HEINEMANN. I would agree with this. Each year public support really has been a smaller percentage of the total budget which my department receives. We have to phase in to the point where we are totally self-sufficient when Federal funds run out.

Mr. O'HARA. Mr. Dellenback.

Mr. DELLENBACK. On this point of phasing moneys out, are you really indicating if you were given a 5-year grant, you would not ask for additional moneys the second, third, or fourth year?

Mr. HEINEMANN. The phasing grant would mean there would be additional moneys coming in, but on a different percentage.

Mr. DELLENBACK. But you would not be saying, "Look, if we can get an additional amount, we can expand the program?"

Our experience has been that the majority of grants have been irreversible. It just does not work to set up a program that is 100 percent one year, 60 percent the next, and so on. I think the thing you say is attractive, but when you give your enthusiastic support of this, I want to push you a little bit and ask you, do you think that kind of thing would really work?

Mr. HEINEMANN. Let me cite an example. Our budget has gone up but as a percentage of the cost requirements of my division as the college expands, and the number of students increases, it has decreased. We realize at some point we will not obtain additional Federal funds. I do not see, in terms of support for cooperative education, that it makes sense to have a situation where there is 100 percent funding level for the first 2, 3, or 5 years, if it is extended to that period, and then find at that point the program is operating totally on soft moneys This is based on experiences I have had prior to coming to La Guardia with programs funded almost solely on Federal money. After the Federal support is no longer available, the program phases out, regardless of how desirable that program is and the kind of impact that program is making, and how well it achieves its objectives.

Mr. DELLENBACK. I am with you on the soundness of a gradual phaseout from a theoretical standpoint, because it is too bad if we fund a thing at 100 percent for 1 year or 3 years, and then expect, just like that, the whole thing to be turned over to State or local funding.

Many good programs just fall under their own weight.

I, too, am deeply troubled by the way we have traditionally done it, but I am just raising a practical question as to whether you are ready to have your gross amounts phased down?

Mr. HEINEMANN. Yes.

Mr. O'HARA. You think it is on its own now, and we could withdraw Federal support after a period of time and the program would go on, on its own?

Mr. HEINEMANN. Yes, I think others might disagree with me, but again, looking at La Guardia, we were mandated to go into cooperative education. We did not go into cooperative education because we found there were Federal moneys available and "Why don't we try it?"

With the commitment that we have, I think we knew and understood from the very beginning that we would have to put the program on its own two feet. We offer the program for academic credit. We generate full-time equivalents. The cooperative education program at La Guardia does not exist at the expense of teaching.

Mr. O'HARA. One of the best investments we could make in terms of student assistance would be to pay a part of the costs of hiring co-op education coordinators. When you look at how much in terms of student income, student financial assistance could be provided for in an investment in a cooperative educational program, you have a tremendous multiplier effect.

When we put up a dollar for college work studies, we generate 20 cents in assistance from other sources for the student going through school. On the other hand, when we put up a dollar for cooperative education, we generate, I don't know how much, but some sizable portion of that dollar.

Mr. HEINEMANN. I am in total agreement. I think we have had that experience at La Guardia. The figures I have cited before this committee indicate that very point. The amount of income the students are receiving from their cooperative education experiences far exceeds Federal aid.

The point I was seeking to make was that there are many 2-year colleges, and I lose this on my discussions with administrators from those institutions that are most interested in cooperative education for the very reasons and experiences we have had with cooperative education.

They would like to get into cooperative education, but they do need Federal support to get them started.

It would be my hope that given the realities of limited budgets and limited amounts of money available, this kind of incentive that we have been talking about would result in the institution taking a long and hard look before going in; and second, would enable more institutions to begin programs over time. If we in cooperative education are correct, this will become a significant part of higher education over the course of the next decade or two, perhaps even beyond. It will allow more institutions, as the data becomes available, to come into the field and to come in with support.

I am somewhat dismayed when the number of colleges who have the same kinds of students we have at La Guardia are told we cannot support you this year. We may not be able to support you next year because we have certain commitments that already have been established, and therefore you have to look several years down the road or find some additional funding sources to get into co-op education. That does disturb me.

Mr. O'HARA. I should think in terms of impact, funding of co-op programs ought to have a very high priority, because if you are looking at a total student aid thing, it is a better investment than a dollar, really, which might be spent elsewhere.

Mr. HEINEMANN. I agree.

Mr. O'HARA. Would you have any other changes you might like to see in the Federal law which you care to mention to us before you leave?

Mr. HEINEMANN. No. The four items that I have stated at the end of my statement in terms of the kinds of activities that I think need to be encouraged, represent my basic position.

Mr. O'HARA. Thank you very much, Dean Heinemann. We have enjoyed having you. I think La Guardia must be an exciti place.

Mr. HEINEMANN. We certainly would invite you and other members of the committee to drop by.

Mr. O'HARA. One of these days when I am in New York, I might drop by.

Finally, we will hear from a witness whose cooperative education experience comes very close to home to us here. At our hearing last week, Mr. Phillip Schulman approached the staff and asked when we would have hearings on co-op. When advised of our current plans, Mr. Schulman expressed an interest and told the staff that he is a cooperative education student spending his off-campus stint on the minority staff of the Subcommittee on Housing of the House Committee on Banking and Currency.

With the gracious consent of the distinguished gentleman from New Jersey, Mr. Widnall, ranking minority member of that subcommittee, Mr. Schulman and his wife, Mrs. Deborah Schulman, both of whom are co-op students, are going to appear before us today to talk about cooperative education in a very familiar setting from the viewpoint of the student.

STATEMENTS OF PHILLIP AND DEBORAH SCHULMAN, LAW STUDENTS, NORTHEASTERN UNIVERSITY SCHOOL OF LAW, BOSTON, MASS.

Mr. SCHULMAN. Mr. Chairman and members of the subcommittee, I am pleased to appear before the Special Subcommittee on Education this morning in order to provide the subcommittee with a picture of cooperative education from a student's perspective.

All too often, hearings are conducted to examine a program's feasibility, and yet the only witnesses asked to testify are administrators, educators, and other officials whose purpose it is to explain how the program is run—with little emphasis on how the individuals within those programs are affected by their decisions. For that reason, I am particularly pleased to appear before your subcommittee.

I am presently a second-year student at Northeastern University School of Law and currently a co-op student working as a law clerk with the Banking and Currency's Subcommittee on Housing here in the House of Representatives. I have had 7 years of cooperative education, 2 years thus far as a graduate student, and 5 years as an undergraduate at Northeastern University.

With me this morning is my wife, Deborah Schulman, who is also a second-year law student at Northeastern.

At last Wednesday's hearings, I noted that Mr. Lehman asked one of the witnesses discussing the college work-study program why students on work-study could not acquire practical experience off campus. Northeastern has combined the aspects of both work-study and cooperative education, and does give work-study students an opportunity to acquire worthwhile job experience within a cooperative educational setting.

In fact, Debby and I are both work-study qualified; and Debby is working under a work-study arrangement for the Lawyers Committee for Civil Rights Under Law. I am sure Debby will be able to answer any questions you may have concerning the work-study program and cooperative education.

I thought the best way for me to describe the co-op concept was to explain how the program has affected me and, in that way, explain how the program actually works.

In 1967, I began applying to various colleges. I was intrigued by Northeastern's program that allowed a student to acquire 2 full years' working experience while earning a full 4-year bachelor of arts degree in just 5 years.

I thought the program would give me an opportunity to study political science and government while also providing me with a chance to work for a State or municipality. I was pleasantly surprised to find that Northeastern could accommodate both of these desires.

The first year of Northeastern's undergraduate program is spent in school receiving a traditional liberal arts education. I might add that Northeastern University has eight colleges, including business administration, engineering, pharmacy, physical education, nursing, physical therapy, and education, all operating on the co-op plan.

At the end of the first year, the class is divided into two sections, one of which commences the first quarter of the second year, while the other starts the first cooperative quarter. Thereafter, the two sections alternate for the remainder of the 5 years.

Thus, at the time of graduation, each student has completed eight quarters or 2 full years of practical, on-the-job experience in his or her major field of study in addition to the academic work of the upperclass years. This is done by operating the school 12 months a year.

In my first year I began my studies as a political science major. At the end of the first year, students meet with their co-op adviser and begin a process of finding a meaningful job within one's major field of study.

I wanted to learn about government, but I also wanted to earn enough money is that quarter to help defray the cost of my tuition. I thought that if I were able to live at home in Utica, N.Y., where I could avoid paying room and board, I would be able to save enough money to substantially reduce my tuition expenses.

Again, much to my surprise, I found that Northeastern's program for recruiting job employers was not limited to the Boston area but that jobs existed all over the country. My adviser said that if I wanted to live at home and work for local government, this could be arranged. And so my first co-op job back in 1968 was at the Utica Urban Renewal Agency located in city hall.

Prior to my first co-op job, my work experiences were typical of a high school male, either working as a lifeguard or at a hamburger stand or, in my case, as a receiving clerk at a local warehouse.

My first co-op job at the age of 18 paid $80 a week, which was, at the time, more money than I had ever earned before—in fact, I often think that $80 paid for a lot more back in 1968 than my increased salary does today.

My responsibilities were not complex. I did some drafting and landscape design and was in charge of filing map reproductions. But more important than my immediate responsibilities was the fact that this was the first time I had had an opportunity to work in an office. As I mentioned, 16-, 17, and 18-olds are not often given jobs within an office environment.

I began to work closely with other people and began to see how an office operates, how each person is responsible for his or her duties, and I learned the importance of being able to communicate one's thoughts both orally and in written form. And equally as important, I began to learn about housing and urban renewal.

While my job was simply to draw various size scale maps of Utica's urban renewal projects, at the same time I learned that urban renewal was a Federal, State, and local effort. Projects were designed to provide more housing, more employment, and basically to remove blight and decay from our Nation's cities.

I continued to go back to the Utica Urban Renewal Agency on several other work quarters and, as I began to mature, so did my job responsibilities—so much so that by the time I left the Urban Renewal Agency to seek other co-op experiences, I had participated in almost every major phase of the urban renewal process. My salary was increasing, too, and I began to develop an interest in housing.

At the end of my fourth year at Northeastern, I explored the possibility of combining my housing knowledge with a background in planning. Again, Northeastern's recruiting staff amazed me. They had several jobs with local planning departments all over the country—one, in fact, in my own hometown.

I worked for both the Utica Planning Department and the Planning Department of Medford, Mass., as an assistant planner. There I coordinated a city land use survey, developed a housing demand study, researched alternative public safety programs and even did some research concerning regional planning boards. I was beginning to round out my housing education.

When I realized that I would be going to law school, I asked if Northeastern had any law-related assignments in the public sector. Northeastern informed me of a co-op job with Boston's Metropolitan District Commission where I worked in their general counsel's office for my last co-op quarter as an undergraduate.

At this point, let me explain several key features of the co-op program.

First, in the area of placement, I told you about my interest in government and how I had found ample opportunity to acquire experience at a local, State, or Federal level. My roommates in engineering were employed at General Foods in New York or consulting firms in Boston. Others with a business background worked for IBM, Ford, Honeywell, and thousands of other business concerns.

At Northeastern University, education majors teach, nursing students work in hospitals, and journalism majors work for newspapers. The experience gained through this employment is invaluable, but when you also consider the student is paid for his efforts you have a real educational bonanza.

I have already talked about the experience a student acquires in his field of interest. But there are other advantages to a cooperative plan. For example, on-the-job experience gives the student a chance to decide first-hand whether the major he has chosen will suit his career endeavors.

One friend of mine was a Journalism major and after working for a newspaper for a quarter realized that journalism was not for him. He immediately changed his major while still in school and saved himself a great deal of disappointment.

Under a curriculum that provides for a traditional college education my friend would not have found out that journalism was not for him until well after he had graduated. At that point it might have been too late to change occupations.

So cooperative education also provides the student with a testing ground before graduation to experiment and determine what area of employment best suits his interests.

At this time I would like to comment on the financial rewards of co-op. While I am sure the university's policy is not "earn as you learn," for some students like myself—co-op provided an opportunity to earn enough money to pay for my education. At the end of the 5-year program I had paid for my education and had enough money left over to help pay some of my tuition for the first year of law school.

While all students are not able to do this, I point out my experience as an example of the fact that co-op, in addition to being a great learning experience, also helps cut the cost of higher education.

Another plus for co-op is its timing. Every 3 months students alternate between co-op assignments and academic quarters. The day-in, day-out burden of school, especially law school, is greatly reduced by the fact that at the end of 12 weeks you are out on co-op again. Somehow, reading all those law cases seems a bit easier knowing that in a few weeks you will be out working.

And the same goes for a job—just when your job begins to get routinized, you are back in school. It is really a pleasant way to obtain an education.

Furthermore, co-op gives students an opportunity to visit new and exciting places. I know that if I were at a traditional law school I would not otherwise be in Washington, D.C. Some of my classmates have jobs in Alaska, on Indian reservations in New Mexico, as well as Florida and California. We have students in almost every State in the Union.

Another aspect of co-op worth mentioning concerns the financial rewards to educational institutions carrying on co-op programs. While I am not an expert in this field, and others can give you accurate figures, I do know that a school on co-op can double the size of its enrollment with one-half the number of facilities and one-half the number of intstructors.

For example, Northeastern has over 40,000 students and is the Nation's largest private educational institution in the United States. These 40,000 students are educated in one-half the space with one-half the number of professors that would be required to educate 40,000 students on other campuses.

Only one-half the students are in school at one time while the other one-half are out working. Meanwhile, the university collects tuition from 40,000 students with facilities and expenses for 20,000 students.

In a time when most universities and colleges are operating in the red, cooperative education provids a sound fiscal policy to solve the monetary crisis plaguing our schools for higher education. Again, I am not an expert in this area, but it is a subject you may wish to pursue with education administrators.

When I graduated from Northwestern in 1972, I had 2 full years working experience as well as a Bachelor of Arts degree. Few other university students could claim that distinction. Today, thousands of qualified students graduate each year and many of them go unemployed or are forced to seek employment in areas outside their field of study—the reason is simply that they do not have the experience required to meet employer demands. Only a cooperative educational school adequately prepares the student for the competitive employment market he faces upon graduation.

So successful was my experience with the co-op program at Northeastern University that I decided to attend their law school. The oldest tradition in legal education is that of serving an apprenticeship in a law office. Learning the law in school is a relatively recent development.

Certainly this academic training has become essential, since the body of the law has grown in size and complexity and the social setting in which it operates has become both intricate and diverse. Within the conventional law curricula there is little opportunity to accommodate practical experience.

Northeastern University School of Law is the first law school to be operated on a system of cooperative education. The co-op plan is an ideal blending of the academic and practical aspects of legal education. At the same time it responds to the needs of contemporary law students.

It also provides employers with a continuing source of intelligent, eager-to-learn young people, with legal training, who can be of invaluable assistance to them in their practices.

The first year of law at Northeastern is very much like that of any other law school. The student receives a traditional law school education. Then, just as in the undergraduate program, the class is divided into two sections, one which commences the first academic quarter of the second year while the other starts the first cooperative work quarter. The two sections alternate between school and co-op during the remainder of the 2 upper-class years.

Upon graduation, each student has completed 4 quarters or 1 full year of practical cooperative experience, as well as having earned a juris doctorate degree.

Each student going on co-op is interviewed at the school to determine that student's interests and capabilities. Students and employers are matched so that each employer will receive the résumés of those students most interested in and qualified for work with that employer. The employers are then free to conduct their own interviews, with the final decision on hiring entirely in the hands of the employer.

Students receive academic credit for their co-op work experience and must successfully complete 4 such quarters in order to qualify for a degree.

I have discussed the program and how it works, but I have not given you a real description of a student's assignments on co-op. The program is a two-way street. Students acquire valuable experience and employers receive qualified, legally-trained individuals who perform worthwhile employment services.

In my first law school co-op, I worked for the National Association of Home Builders here in Washington. I was able to use my knowledge of housing and zoning in doing research and analysis for a Home Builders publication entitled "Land Development Law for the Builder and His Attorney."

I did a considerable amount of research on land use controls and no-growth developments. I was able to analyze new techniques in exclusionary zoning and my efforts were of great benefit to me in broadening my experience in housing and, at the same time, my employer received material that will be used to publish the Home Builders Handbook.

This quarter I am a law clerk for the Committee on Banking and Currency, with the Subcommittee on Housing, under the auspices of Congressman William B. Widnall. We have just completed mark-up of the proposed Housing and Urban Development Act of 1974.

In both my job at Home Builders and here with the Subcommittee on Housing, I have been treated as a member of the staff. My thoughts and suggestions on the housing bill were encouraged and appreciated. I was given a chance to see how a bill is put together, to see the administration, the subcommittee and HUD work hard to create a meaningful piece of legislation.

This job will culminate with the mark-up before full committee and finally the conference with the Senate on their omnibus bill. Few students have ever been as privileged as I have to have been given this fantastic opportunity as a student under a cooperative educational plan.

Other co-op students from the law school are performing equally as exciting jobs. One friend with an interest in environmental law is doing his co-op assignment in Alaska with a leading environmental firm. Our law school has placed students in almost every large private law firm in Boston and many in New York and Chicago.

Corporations such as the Prudential Insurance Co., Boston Edison Co., New England Electric Co., and Liberty Mutual Insurance Co. presently employ co-op students.

In government we work for the Massachusetts and New York Attorney General's Offices, the U.S. Attorney's Office, the FCC, the FPC, the NLRB, and the IRS. In the public sector our students work on Indian reservations in Farmington, N. Mex., for public defender programs for the States of Massachusetts and Rhode Island, and the National Consumer Law Center.

These are but a sampling of the jobs and opportunities available for the co-op law student.

I should add that the law school is on a pass/fail grading system, with no class rank—thus, employers really only have a student's work experience to evaluate them on. In spite of this, Northeastern Law School has one of the highest employment placement records of any law school in America.

If I sound proud, it is because I am. Cooperative education has given me experiences and rewards I could never have gotten at any other school. I have begun to acquire an expertise in housing, had most of my tuition paid for, got to travel around this country of ours, and made many numerous friends I might never have met had it not been for this tremendous educational experience.

My friends graduating from college have been disappointed in their efforts to find permanent jobs after school. It seems to be the same old story—the employer says, "Sorry, we would like to hire you, but we are looking for someone with experience." My friends complain, "How can we ever get experience without getting a job?" That is when I tell them about cooperative education.

Again I wish to thank the chairman and this subcommittee for inviting me here to give you a student's perspective of this program. I would also like to thank my boss, Mr. Anthony Valanzano, minority counsel, Housing Subcommittee, who allowed me to take time from my schedule to prepare this statement and deliver it here this morning.

At this time I would like to introduce my wife, who has a brief statement concerning work-study and cooperative education, after which we will be happy to answer any questions you may have. Again, thank you.

Mr. O'HARA. Thank you, Mr. Schulman.

Mrs. Schulman.

Mrs. SCHULMAN. Mr. Chairman and members of the subcommittee, I, too, thank you for giving me this opportunity to speak about work-study and cooperative education from a student's perspective.

My background is slightly different from Phil's. I attended Cornell University as an undergraduate and, while I consider Cornell to be one of our country's finest educational institutions, I recognized early in my 4 years the necessity for practical experience, particularly in graduate school where professional training and practical skills assume a greater importance than a broad-based liberal arts background.

Thus, I was delighted to attend Northeastern University Law School where I am presently a second-year student.

Northeastern Law School effectively combines work-study and cooperative education. Under the work-study program, employment opportunities are established with the Federal Government supplying a major portion of the wages paid and the employing agency supplying the balance. The present contribution ratio is 80–20 percent. At Northeastern the program is open to undergraduates and graduates with good academic standing who need earnings from employment in order to pursue their studies. Students can work a maximum of 20 hours a week during school quarters and maximum of 40 hours a week during vacation periods and co-op quarters.

Under the terms of the program, students receive "an hour's pay for an hour's work" and therefore there can be no compensation for sick days, vacation days, or holidays. Pay rates range from $1.85 per hour to $3.50 per hour, depending on the student's year in school. Off-campus agencies are allowed to set the pay rate within these guidelines, depending on the type of job and skills involved.

Students who are interested in employment under the terms of the college work-study program must complete an application for financial aid and a parents' confidential statement. The length of eligibility is specified when a determination of eligibility is made; students who are on work-study for 1 year may not be eligible for the next year if Federal funds are cut back or if their need relative to other applicants changes.

On-campus employment for the most part involves work related to the operation of various university departments and offices and therefore is oriented toward office or research tasks. I want to emphasize that the jobs are not make-work jobs.

Let me cite my own experience as an example. My work-study job involved the processing of incoming applicantions to the law school; with 3,000 applications all going through a multistep procedure and with only one full-time office worker assigned to their processing, it is obvious that the work-study students provide an invaluable service.

Another example: The full-time staff in our library works from 9 to 5 daily, putting in a full workweek. But in order for a law library to be an effective research facility and to provide study space for law students, it has to be open evenings and weekends. Again, work-study man the library during these times.

From my own experience, work-study in no way detracts from my studies; if anything, working compels me to allocate my time more wisely. Furthermore, the availability of these jobs on campus greatly cuts down on what would be commuting time for off-campus jobs.

In effect, work-study serves a dual purpose: It provides the school with needed, qualified help from within its own ranks and it provides the student in need of work with a job that can be arranged according to his or her schedule.

As I mentioned, Northeastern has applied the work-study concept to the co-op quarters as well as to part-time work during school.

A work-study employee may not engage in any partisan, political, or sectarian religious activity in connection with his employment. Although the possibility of extending work-study funding to the profit-making sector is under consideration, at the present time the employing agencies must be either public or private nonprofit organizations working in the general public interest.

This latter requirement serves a twofold purpose:

First, the rule effectively precludes those employers who can best afford to pay for their co-op employees from getting almost totally subsidized and qualified law clerks at the expense of those employers who are least able to afford to pay competitive wages.

Second, by awarding these positions to the types of operations that can least afford to pay, the opportunity to work at legal defense and law reform institutions is provided to the student who needs the competitive salary, whereas without work-study funding that student might have been financially precluded from taking a public interest job.

Moreover, by placing the co-op positions in organizations working in the general public interests, we serve the public interest. For example, in programs such as Roxbury Defenders where counsel is provided for the indigent, third-year law students are able to go before the court, and second-year students perform valuable interviewing, research, and backup services.

Thus, an already overburdened and congested system is partially relieved and we as students gain broad insights into the everyday goings-on of the real legal world.

Speaking for myself, my job at the Federal Communications Commission and my present job, a work-study job at the Lawyers' Committee for Civil Rights Under Law, have been without doubt a most broadening aspect of my legal education. I not only learned how to effectively use a law library and how to develop skills that I had heard about in theory, but also I have been exposed to areas of public utility regulation, equal employment opportunity, administrative procedure, school finance theory and litigation, and analysis of proposed Federal education legislation that otherwise it is virtually certain I never would have seen.

Again I thank you for the opportunity to appear before your committee and I sincerely hope that I have been helpful in giving you some insight into the operation of work-study from the eyes of a student.

At this time we will be happy to answer any questions that you might have.

Mr. O'Hara. You certainly have been very helpful, both of you.

Mrs. Schulman, you have gotten into an area which is a very interesting one to us; that is, the use of college work-study in co-op education. The traditional co-op involved employment with a private employer, none of which was funded from any public source. But, as you point out, college work-study can be used if the employer is the college or university itself or if the employer is a public institution or a private nonprofit institution.

For instance, using college work-study, if you take a job such as you have now, up to 80 percent of your wages can be paid under the college work-study program. That makes it possible for public interest law firms and others to employ, in effect, the co-ops.

Mrs. Schulman. Without being funded in part by these work-study funds, the lawyers' committee couldn't have afforded to hire me and I couldn't have afforded to work for them. We think it is a great bonus because there is a whole gamut of jobs we otherwise wouldn't have been able to participate in.

Mr. O'Hara. At Northeastern Law School, when do you begin, in June or September?

Mr. Schulman. We start in September.

Mr. O'Hara. Northeastern is on the quarter system, so there are four quarters in a year?

Mr. Schulman. We operate 12 months a year.

Mr. O'Hara. When do you complete school?

Mr. Schulman. As I mentioned, the undergraduate level is a 5-year program while the law school operates on a 3-year program.

Mr. O'Hara. If you spend the first year in law school, you pick up three quarters that way?

Mr. Schulman. That is right.

Mr. O'Hara. Then traditional law school would be a nine-quarter operation, three quarters a year for each of 3 years, right?

Mrs. Schulman. Right.

Mr. O'Hara. So you start off your first year three quarters; then for the rest of the time you are in law school there are eight quarters remaining and you spend four of them in school. So actually you go through the academic part of school in one quarter less than ordinary.

Mr. Schulman. Let me comment on that.

Mr. O'Hara. Or two quarters less, I guess.

Mr. Schulman. In order to be qualified by the ABA we have to take a certain number of courses. We have actually seven quarters of school; three in the first year and two in the second and third. We take as many credit hours in those seven quarters as traditional law school students take in nine quarters.

Mr. O'Hara. You would still be getting the same number of classroom hours?

Mr. Schulman. Yes. That is required by the ABA; otherwise, the program wouldn't have been approved.

We also cover more material in 12 weeks, whereas the traditional law school would handle the same material in about a 20-week semester.

Mr. O'Hara. I think it would have been very valuable for me to go to law school that way.

Mr. Schulman. It has been valuable to us.

Mr. O'Hara. I wouldn't have been starving to death when I got out. I would have known a little bit more as to various aspects of law. I wouldn't have had to try to learn it all after graduation.

Mr. Schulman. One of the pluses of the co-op program is that it is increasingly difficult to get jobs after graduation. If you can go to an employer and say: "Look, I have experience, I can start on Monday morning," it is a tremendous plus in terms of making yourself more marketable to the employer.

Mr. O'Hara. I get the impression you can work with your co-op coordinator and the students can and do spot their own jobs sometimes and say, for instance, "I would like to work in the Utica Planning Agency," and maybe you can steer your co-op cordinator in that direction. Maybe you could go down and say, "I am a co-op student and I worked last year for the Urban Renewal people; why don't you create a co-op position for me?"

Mr. Schulman. I would say 90 percent of the jobs the students have are jobs the university found for them. In my case, I had a particular interest—if the school didn't have a job I would go out and promote my own job.

Mr. O'Hara. Do you know of any other law schools or graduate schools? Frankly, I have been thinking of co-op in terms of undergraduate education. I hadn't been aware of graduate school co-op.

Mr. Schulman. Antioch has recently started a school here in Washington.

Mr. O'Hara. Yes, Washington Law School, I think.

Of course, medical schools—they are a different kind, they have been sort of co-op, in a sense, from the beginning.

Mr. Schulman. Yes, it's part of their academic training.

Mr. O'Hara. Their clinical experience, the ward experience.

I see that 35 colleges have extended into master's degree and 7 extended into doctorate. That is an extremely heartening aspect and I should think it is the trend of the future in law schools, as has been suggested here.

Mr. Schulman. I would think so.

Mr. O'Hara. Of course, traditionally graduate students will work in their field in some way while they are going to graduate school or else they will be working in whatever field it is in the summer if they are lucky enough to get that job without help.

I am very interested in what your experience has been. I think you both have had a tremendous experience, and I should think, if any of my kids desire to go to law school, I will suggest they look into Northeastern and into Antioch.

Mr. Dellenback. And Drexel.

Mr. O'Hara. Drexel is not a law school.

Mr. Dellenback, any questions?

Mr. DELLENBACK. I will read the testimony. I apologize for being engaged in a long-distance phone call about Russian fishing vessels off the coast of Oregon.

May I just ask one thing, because I am intrigued with the blend of work-study and co-op.

You, Mrs. Schulman, are on work-study?

Mrs. SCHULMAN. Yes.

Mr. DELLENBACK. So they are blending the programs; they are using this blend of funding?

Mrs. SCHULMAN. It is quite common. In fact, one of the policies of the law school is to try to split the work-study money to save enough for co-op work-study.

Mr. DELLENBACK. So they are blending the programs; they are using the moneys back and forth between them?

Mrs. SCHULMAN. That is correct.

Mr. DELLENBACK. Does that work well from your standpoint?

Mrs. SCHULMAN. I think it is tremendous. I wouldn't have been able to take this job if it had not been for this program. I spoke to the work-study coordinator before I came here. She was under the impression that even though work-study money was allocated to Northeastern, we have a use for a lot more money than would appear at first blush.

Mr. DELLENBACK. As perhaps has been said and as you know, what we are doing in the subcommittee is not just looking at co-op education. Rather we are conducting a series of hearings where we are looking at loans, BOG, and all these assistance programs. Consequently, the type of interrelationship you have mentioned is helpful to us because we are looking at it in that total package.

We thank you for coming today and for your very helpful testimony.

Mr. O'HARA. Thank you very much.

The subcommittee will meet again at 9:15 in the morning in this room. The full committee is meeting at 10 o'clock.

The meeting is adjourned. Thank you very much.

[Whereupon, at 12:06 p.m. the subcommittee adjourned, to reconvene at 9:15 a.m. Tuesday, May 14, 1974.]

STUDENT FINANCIAL ASSISTANCE

(Work Programs)

TUESDAY, MAY 14, 1974

House of Representatives,
Special Subcommittee on Education
of the Committee on Education and Labor,
Washington, D.C.

The subcommittee met at 9:25 a.m., pursuant to call, in room 2261, Rayburn House Office Building, Hon. James G. O'Hara (chairman of the subcommittee) presiding.

Present: Representatives O'Hara, Dellenback, and Esch.

Mr. O'Hara. The Special Subcommittee on Education will come to order.

Today we are resuming hearings on the work component of title IV of the Higher Education Act of 1972.

Our first witness today will be Mr. Eugene B. Sydnor, Jr., representing the Chamber of Commerce of the United States.

Mr. Sydnor is a vice president and director of the Chamber of Commerce of the United States and chairman of its Education and Manpower Development Committee.

Mr. Sydnor, we are very happy to hear from you.

TESTIMONY OF EUGENE B. SYDNOR, JR., REPRESENTING THE CHAMBER OF COMMERCE OF THE UNITED STATES, AND TOM WALSH, STAFF EXECUTIVE, EDUCATION AND MANPOWER DEVELOPMENT COMMITTEE, CHAMBER OF COMMERCE

Mr. Sydnor. Thank you, Mr. Chairman.

First I would like to introduce the chamber's staff executive for our Committee on Education and Manpower Development, Tom Walsh, who is on my right.

I appreciate very much this opportunity to express support for college work-study and cooperative education. We view these as key elements of a comprehensive career education program.

The chamber for years has supported the career education concept and particularly so since Dr. Sidney Marland, a former Commissioner of Education, championed this cause during the time he acted in that capacity as well as Assistant Secretary of HEW.

Last year the national chamber sponsored a National Conference on Career Education here in Washington. It was attended by both business executives and educational leaders from all parts of the country.

This year we are holding a series of small meetings with directors of various education associations to examine ways our organizations can work together to stimulate cooperative school-business support for career education at the State and local levels.

College work-study and cooperative education help establish the career education approach among postsecondary institutions, a level that has perhaps been overlooked to some extent by those who support career education in our elementary and secondary schools.

Following a brief review of these programs which is in the paper which we submitted I would like to give our conclusions and recommendations.

I am sure the members of the committee are very familiar with what is going on in work-study. There are a few key points I would like to touch on without going through the complete paper.

The college work-study program offers Federal grants to postsecondary institutions to enable them to create job opportunities for eligible students. These grants provide 80 percent of the students' wages for part-time and summer employment.

This may be either with the institution of education, except in the case of a proprietary institution, or with an off-campus public or private nonprofit organization.

It is interesting to note that during the 1973–74 school year now underway more than 560,000 students enrolled in 3,000 institutions will earn an average of $580 through this work-study program.

On the average, earnings from work-study reportedly covered 54 percent of the basic cost of higher education of those attending public institutions and 27 percent of what it cost to go to a private college or university.

The incomes of the students' families that participated in the program ranged from about $3,000 to slightly over $9,000.

The title "College Work-Study" may be somewhat misleading. Eligible institutions also include vocational schools which can admit students regardless of academic credentials.

However, to participate in the work-study program the student must have earned a high school diploma.

Of funds distributed in the 1972–73 school year a year ago, only 2 percent went to the public area vocational schools, 46 percent to public 4-year institutions, 28 percent to private 4-year institutions, 18 percent to public 2-year colleges, and 6 percent to private 2-year colleges.

I believe the appropriations last year were $270 million.

Turning to cooperative education, we look on this as a "learn and earn" program or, as was stated more formally in the law, programs that "alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn, through employment, funds required toward continuing and completing their education but will so far as practicable give them work experience related to their academic or occupational objective."

We understand that cooperative education differs from work-study in three important ways: first, the employer pays the total amount of the student's wages. There is no Federal subsidy involved in that or State subsidy.

Second, the work experience must be integrated with the classroom study.

Third, the work experience time and the classroom study time are sharply separated into periods of several weeks or months.

This program got underway as early as 1906. There has been Federal funding since 1965 when the Higher Education Act was passed.

Today over 800 institutions are offering cooperative education programs serving over 180,000 students.

The current Federal expenditure is approximately $10.7 million. These funds are distributed as grants to individual schools for planning, establishing, and implementing cooperative education programs.

Students' earnings vary widely, but on the average a participating student can be expected to earn $2,500 during a year, which is of material help with the ever increasing costs of higher education.

The experience of employers has been very, very encouraging.

I understand you will be hearing later this week from various employers who have participated in these programs.

Certainly the ones we have talked to are most enthusiastic about what has been accomplished and what they see is possible for the future.

Employers express satisfaction with both programs.

With work-study the schools and universities and off-campus agencies are pleased because it provides a source of personnel at only about 25 percent of the cost that would normally be incurred, because of the 80 percent Federal funding involved.

We are aware of the dilemma with which most institutions today find themselves in trying to meet their budgets. So this is a matter of material importance to institutions that are struggling to find funds. In addition, enrollments would decline if students who are on work-study did not have this aid in obtaining funds to go to college. Here again the problem of funding for the universities and colleges would be extenuated were it not for work-study.

In cooperative education private employers cite these particular advantages:

It helps business participate in the development of students and in providing them with guidance in career choices so they will get in the slots that they can fill well.

It helps business attract and educate high-caliber students, those who really want to learn something, who are motivated.

It reduces personnel recruitment costs and the high turnover rate of new employees which is frustrating to both the employer and employee.

It improves the professional relationship between management and educators. In recent years there has developed a schism, you might say, between those in the business world and the education world at times. This cooperative program helps to bring the two groups together to their mutual advantage.

It helps comply with the affirmative action plans by aiding minority students to get acquainted with the opportunities in the world of work while they are still in formal education. When they come out they are much more ready to become productive than they would be if this cooperative education program were not available to them.

Our conclusions are that work-study and cooperative education programs merit expansion in numerous ways. They serve the needs and demands of the major groups involved, the students, the employers, the educators and, we believe, the public, the taxpayers.

For the student they offer financial assistance and enable him to test out his career aspirations before graduation. In other words they help him to make decisions while the choices are still available before many of the options are closed out.

In bringing relevance to the classroom they present a unique opportunity for combining theory with practice.

For the employer the cooperative education program provides an effective means of attracting bright and able young people for permanent employment.

The work-study program, to a lesser degree, also serves this purpose.

For the schools these programs enhance enrollment through the earning power offered students who come from needy families and even those now in the middle income or lower middle income brackets.

For both industry and education they help reduce the alienation and suspicion that has arisen during the last 10 years between these two parts of our society, by bringing about the closer working relationship that we mentioned.

For the public they provide an excellent return for the tax outlay. In cooperative education expenditures of only $10.7 million stimulate a total estimated student payroll of 30 to 50 times that figure, several hundred million dollars. And that is at no cost to the taxpayer.

Finally, work-study and cooperative education are necessary complements of student grants and loans. They also offer important advantages over these two forms of assistance, as we see it.

One important consideration is that work-study imposes a work commitment on the student. He must be serious in his desire to further his formal education.

We believe that in recent years in entirely too many cases young people have gone on to college or university merely for the reason of postponing the time when they must make up their minds as to what they want to do with their lives and their careers.

We question the advisability of the public subsidizing people who really don't know where they want to go.

Student loans have the advantage of imposing a financial obligation on a student. We hope this program works as the Congress intended, that it not only enables qualified students to advance their education but that cost are limited to the loan interest and related program expenses.

We are concerned with the rising default rate on these student loans, not reportedly over 7 percent compared with 4.3 percent 2 years ago.

With the enactment of the Higher Education Amendment of 1972, total loan obligations will increase. I understand that at the present time there are approximately $6 billion in student loans outstanding which the Government has guaranteed.

Unless carefully administered, the default rate will likely continue to rise. To the extent this happens the loan becomes an unintentional grant and it will fall to the taxpayer to repay the commercial bank or other lender.

We have certain other recommendations which we list on page 6. I will go through these briefly, if I may, Mr. Chairman.

We believe that both the work-study and the cooperative education programs can play even more important roles in post-secondary education.

As far as the Office of Education is concerned we would like to recommend that it be publicized through the cost/benefit and the intangible but useful results of cooperative education. Many employers will participate irrespective of any financial benefit.

But many others, especially smaller employers with more limited resources, will hold back if they believe that their involvement will disrupt a working routine and in other ways add to costs. They don't have the staffs to dig out the information.

We believe the present program, partly with the Federal funds that are going out to the institutions, is very desirable.

We stress training of school job developer-coordinators. Success in opening up job opportunities appears to depend primarily on the knowledge and resourcefulness of these persons.

Third, we would like to see more attention given to placing liberal arts students in cooperative education arrangements. We would like to see them have more of a chance to get acquainted with the world of work while they are still in college. We think they will be more productive when they come out if they do.

Fourth, we recommend the establishment of an evaluation mechanism to identify areas requiring improvement in program administration.

Fifth, we recommend removing from cooperative education program regulations the criterion that participants be low-income students. Again, with the steadily rising costs of higher education, with the inflation that everyone in our country must face today, it is important, it seems to us, that there be no hard and fast limit, of a comparatively low level of income, on the opportunities that this program makes available.

Sixth, we recommend specifying that nonprofit organizations, such as chambers of commerce and trade and professional associations, be eligible for subcontracts with schools to develop jobs and to handle certain administrative details.

More than any other organizations, State and local chambers know business operations and employer interests in their geographic areas.

Trade associations can promote this program on a national basis among their members.

In some instances a chamber could serve as the job developers for a consortium of cooperative educational institutions.

Though the jobs involved were on a much lower level, chambers already have ample experience in their role as contractors for consortia in the NAB/JOBS programs.

On work-study we recommend giving greater consideration to job development in the off-campus public sector with a view to using work-study as one means of providing needed public services.

Second, we recommend minimum emphasis as to whether the job complements the student's course of study. The primary aim should be to provide an earning opportunity. Semiskilled and unskilled jobs should therefore be acceptable so long as they serve a useful public purpose.

Third, we recommend establishment of an evaluation mechanism to identify areas requiring improvement in the program administration.

Fourth, we recommend the practice of restricting employment to public or private nonprofit institutions. We see no way of significantly involving the private sector without subsidizing the employer, an action which Congress has properly prohibited in the past.

Quite apart from this program, private employers provide the great majority of part-time and summer jobs as we have already noted in cooperative education.

I would like to commend you, Mr. Chairman, and the members of your committee, for providing this opportunity to explore ways that we can promote work-study and cooperative education programs.

We would like to have our full statement, if you will, sir, included in the record. I think we submitted that. I am just trying to summarize here.

Mr. O'HARA. Thank you very much, Mr. Sydnor. I very much appreciate your statement. I am looking forward to a discussion with you about it.

[The statement referred to follows:]

STATEMENT BY EUGENE B. SYDNOR, JR., ON BEHALF OF THE CHAMBER OF COMMERCE OF THE UNITED STATES

My name is Eugene B. Sydnor, Jr. I am President of Southern Department Stores, headquartered in Richmond, Virginia. I am here today as a Vice President and Director of the Chamber of Commerce of the United States and as Chairman of its Education and Manpower Development Committee. With me is the staff executive of that committee, Thomas P. Walsh.

We appreciate this opportunity to express support for college work-study and cooperative education. We view these as key elements of a comprehensive career education program. The National Chamber for many years has supported the career education concept and particularly so since Dr. Sidney P. Marland, Jr., as United States Commissioner of Education, championed this cause.

Last year, the National Chamber sponsored a National Conference on Career Education, attended by business executives and school leaders from all parts of the nation. This year we are holding a series of small meetings with directors of education associations to examine ways our organizations can work together to stimulate cooperative school-business support for career education at the state and local levels. College work-study and cooperative education help establish the career education approach among post-secondary institutions—a level often overlooked in much of the career education discussion.

Following a brief review of these programs and the experiences of institutional and private employers, we will give our conclusions and recommendations.

COLLEGE WORK-STUDY

The College Work-Study Program offers federal grants to post-secondary institutions to enable them to create job opportunities for eligible students. These grants provide 80 percent of the students' wages for part-time and summer employment. This employment may be either with the institution (except in the case of a proprietary institution) or with an off-campus public or private nonprofit organization. Eligible students are limited to those with "great financial need" and who are attending school on at least a half-time basis.

During the 1973-74 school year, more than 560,000 students enrolled in 3,000 institutions will earn an average of $580 through the work-study program. On the average, earnings from work-study reportedly covered 54 percent of the basic expenses (tuition, fees, and commuter costs) of students attending public colleges and 27 percent in private schools. In most instances, such earnings are accompanied by a federal grant or loan. The incomes of the students' families range from less than $3,000 to slightly over $9,000.

"On campus" jobs include health aide, security aide, technician, teaching assistant, research assistant, and information assistant. Other positions are offered in the library, laboratory, gymnasium, and cafeteria.

"Off-campus" jobs are of a great variety, including work with correctional institutions, museums, orphanages, day care centers and assistance to the aging.

Ideally the work experience should complement the course of study, but this is not a statutory requirement and occurs in only about half the instances of employment.

The title, "College Work-Study," may be somewhat misleading. Eligible institutions include vocational schools, which can admit students regardless of academic credentials. However, to participate in the work-study program, the student must have earned a high school diploma. Of funds distributed in the 1972–73 school year, only 2 percent went to public vocational technical schools; 46 percent to public 4-year institutions, 28 percent to private 4-year institutions, 18 percent to public 2-year schools, and 6 percent to private 2-year schools.

Appropriations in 1965, the first year of this program, were $56 million. Congressional support is reflected in annual increases that provided an appropriation of $270 million in fiscal 1974.

COOPERATIVE EDUCATION

Cooperative education is a "learn-and-earn" program. Or, as stated more formally in the law, programs that "alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn, through employment, funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective."

Cooperative education differs from work-study in three important ways: (1) the employer pays the total amount of the student's wage; (2) the work experience must be integrated with the classroom study; (3) the work experience time and the classroom study time are sharply separated into periods of several weeks or months.

Though cooperative education was established in 1906, federal support was first provided with the Higher Education Act of 1965, at which time there were 60 institutions with cooperative education programs serving 28,000 students. Currently, over 800 institutions are offering cooperative education programs serving over 180,000 students. A number of educational and business leaders regard this expansion as one of the most important developments in higher education today.

The current federal expenditure is a moderate $10,750,000. These funds are distributed as grants to individual schools for planning, establishing, and implementing a cooperative education program. The maximum amount a school may receive for any single year is $75,000 and no school may receive federal support for more than 3 years. After this period, the program is expected to be self-sustaining. Funds requested by schools for the 1973–74 school year totaled $28 million.

Students' earnings vary widely, but the average participating student can be expected to earn $2,5000 during a year.

EXPERIENCE OF EMPLOYERS

This subcommittee will be hearing in detail from employers directly involved in these programs. We will limit our comments to the following observations.

Employers express satisfaction with both programs. With work-study, the schools and off-campus agencies are pleased because it provides a source of personnel at only about 25 percent of the cost that would normally be incurred.

The absence of this program would materially affect the quality of services provided by most institutions. In addition, enrollments would decline since many students would be unable to attend school were it not for the money earned through work-study.

In cooperative education, private employers cite these advantages:

It helps business participate easily in the development of students and in providing them with guidance in career choices.

It helps business attract and educate high-caliber students.

It reduces personnel recruitment costs and the high turnover rate of new employees, which is frustrating to both the employer and employee.

It improves the professional relationship between management and educators.

It helps comply with Affirmative Action Plans by aiding minority students to learn more quickly the demands of the work place.

There is little specific data with respect to the cost-benefit experience of employers. Xerox made a study of this matter and found "very substantial savings in its personnel recruitment costs through employing cooperative education students." Another study by South Central Bell, following nine years of experience, found that "the cost of employing and retaining each coop graduate was 40 percent less expensive than employing and retaining a regular college graduate."

The Office of Education has made grants available to persuade corporations to study their cost-benefit experience. The National Chamber will encourage employers to assess the effect of cooperative education on their operations, particularly their development of manpower and managerial resources.

CONCLUSIONS

Work-study and cooperative education programs merit expansion in numerous ways. They serve the needs and demands of students, employers, educators, and the public.

For the student, they offer financial assistance and enable him to test out his career aspiration before graduation. In bringing relevance to the classroom, they present a unique opportunity for combining theory with practice.

For the employer, the cooperative education program provides an effective means of attracting bright and able young people for permanent employment. The work-study program, to a lesser degree, also serves this purpose; in addition it provides funds for employing students in jobs that might otherwise go unfilled, with attendant decline of school and community services.

For the schools, these programs enhance enrollment through the earning power offered students and the superior educational opportunity accompanying a well administered program.

For both industry and education, they help reduce the alienation and suspicion that has arisen during the past several years between these two parts of our society by bringing about a closer working relationship in areas of mutual interest and dependence. They are also instrumental in helping industry and education keep abreast of swift developments in science and technology.

For the public, they provide an excellent return for the tax outlay. In cooperative education, expenditures of $10.7 million stimulate a total estimated student payroll of 30 to 50 times that figure—several hundred million dollars.

Finally, work-study and cooperative education are necessary complements of student grants and loans; they also offer important advantages over these two forms of assistance.

One important consideration is that work-study imposes a work commitment on the student. He must be serious in his desire to further his formal education. In contrast, a problem with grants is that they can attract some weakly motivated students into our post-secondary schools—students who may be in school not to prepare for work but to delay going to work.

Student loans do have the advantage of imposing a financial obligation on the student. We hope this program works as the Congress intended—that it not only enables qualified students to advance their education, but that costs are limited to the loan interest and related program expenses. We are concerned with the rising default rate—now reportedly over 7 percent compared with 4.3 percent in fiscal 1972. With enactment of the Higher Education Amendments of 1972, total loan obligations will increase. Unless carefully administered, the default rate will likely continue to rise. And to the extent this happens, the loan becomes an unintentional grant. It will fall to the taxpayer to repay the lender.

RECOMMENDATIONS

Following are recommendations that may help these programs play a still more important role in post-secondary education.

Cooperative education

1. Publicize through the Office of Education the cost/benefit and the intangible but useful results of cooperative education. Many employers will participate irrespective of any financial benefit. But many others—especially smaller employers with more limited resources—will hold back if they believe their involvement will disrupt a working routine and in other ways add to costs.
2. Stress training of school Job Developer/Coordinators. Success in opening up job opportunities appears to depend primarily on knowledge and resourcefulness of these persons.
3. Give more attention to placing the liberal arts student; emphasis thus far has been on technical and business students.
4. Establish an evaluation mechanism to identify areas requiring improvement in program administration.
5. Consider removing from program regulations the criterion that participants be low-income students.

6. Consider specifying that non-profit organizations, such as chambers of commerce and trade and professional associations, are eligible for subcontracts with schools to develop jobs and handle certain administrative details. More than any other organizations, state and local chambers know company operations and employer interests in their areas. Trade associations can promote this program on a national basis among their members. In some instances, a chamber could serve as the job developer for a consortium of cooperative institutions. Though the jobs involved were on a much lower level, chambers already have ample experience in their role as contractors for consortia in the NAB/JOBS (National Alliance of Businessmen/Job Opportunities in the Business sector) program.

Work-study

1. Consider giving greater emphasis to job development in the off-campus public sector, with a view to using work-study as one means of providing needed public services.

2. Give minimum emphasis to whether the job complements the student's course of study. The primary aim should be to provide an earning opportunity; semi-skilled and unskilled jobs should therefore be acceptable so long as they serve a useful purpose.

3. Establish an evaluation mechanism to identify areas requiring improvement in program administration.

4. Continue the practice of restricting employment to public or private non-profit organizations. We see no way of significantly involving the private sector without subsidizing the employer—an action the Congress has properly prohibited. Quite apart from this program, private employers provide the great majority of part-time and summer jobs for students.

We commend the Chairman and members of this Subcommittee for providing this early opportunity to explore ways to promote work-study and cooperative education programs. We appreciate the subcommittee's consideration of our recommendations.

Mr. O'HARA. I would like to ask you, if you have time to do this, we are awaiting a call from the full committee when a quorum appears there. We will have to adjourn this meeting when that call comes.

I am wondering if it would be acceptable to you if we had our other witness for today make his statement while you stood aside for a few minutes and then we can have both of you at the witness table so members of the committee could question you at that time.

Would that be acceptable?

Mr. SYDNOR. That would be very good, yes, indeed, sir.

Mr. O'HARA. Thank you very much, Mr. Sydnor. If you will just stand by we will be very interested in questioning you. In fact, I will give you a little warning of what I am going to ask.

Mr. SYDNOR. Fine.

Mr. O'HARA. I am going to ask why can't the Chamber do more to promote this program.

I am going to ask you to do more to promote the higher education program. You see, you talked about publicizing it to the Office of Education. Businessmen are a little suspect of the Government suggesting things to them. They might take it better from you.

You be thinking about that.

Mr. SYDNOR. We have suggested that State and local chambers promote these programs much more than they have.

Mr. O'HARA. Let us go on to our second witness. Then we will be in a position to direct questions to both of them.

Our second witness is Dr. William Hagerty, who is president of Drexel University in Philadelphia.

Drexel is one of the Nation's leading institutions of cooperative higher education.

Dr. Hagerty, we are very pleased to hear from you.

TESTIMONY OF DR. WILLIAM W. HAGERTY, PRESIDENT, DREXEL UNIVERSITY, PHILADELPHIA, PA., ACCOMPANIED BY COL. JAMES LARSON

Dr. HAGERTY. Thank you. Mr. Chairman, gentlemen, I would like to introduce my colleague, Col. James Larson, who is sitting here with me.

Mr. Chairman, I don't propose to go into a detailed presentation of the mechanics of the co-op system of education. I know there are specialists in the field who have already done that. I also note that Mr. Stewart Collins, who is directtor of co-op at Drexel and a founding member and executive secretary of the National Association of Cooperative Education, spoke to you yesterday. I am sure they know more about the mechanics than I do.

But I want to take this opportunity—and I appreciate it— to tell you a little bit about the cooperative system of education from the point of view of the president's office at our school.

The financial advantages are important and they are many. But there are other points which may be important to your work.

About two-thirds of our freshmen are on some aid. Of course, some lose it once they start co-oping. But one-third are not. They are at Drexel for purely educational reasons. I want to discuss those.

Co-op has been a keystone of our program since 1919. Every program we have is 100-percent co-op except where a student is physically disabled. For instance, we have a totally blind student. However, we did place this student eventually.

Under this plan, generally for a period of 60 months, practically all of Drexel's undergraduates spent alternating periods of either 3 or 6 months in the classroom and in business, industry, and in government.

It has been our experience that the experience should be at least 3 months to make it worth while for the employer to train the student.

So by the time they graduate, our students have had a full academic program, plus 18 to 24 months of on-the-job education and experience with one or more businesses and industries.

I came to Drexel 11 years ago. It is kind of interesting to me that I did so with the understanding that Drexel would be willing to review its co-op with an eye to discontinuing it if I felt it was not a plus factor in the overall development of the university.

Our trustees were wiser than I. They gave me this opportunity. Very quickly decided it was a great thing. Today I consider myself a strong advocate of it.

The co-op system is a source of income for the student. But much more importantly, it is a part of our educational program. Its benefits are many.

When I question my alumni about co-op, they invariably cite the experience and the maturity that they gained, and rarely, if ever, does an alumnus mention the money that he earned.

From industry's standpoint, the co-op student begins early to understand that relationship between his schooling and his employment. He develops many insights into how American industry operates and why. Unlike many young students today, he is more likely to seek rather than to shun a career in industry. This is true of our graduates as well

It is interesting that about 70 percent of our Ph. D.'s go into industry, which is an unusually high proportion.

To industry, this means a high-value, low-cost training effort, for training co-op students after they graduate is much less costly than training graduate students with no work experience.

It has been the experience of Drexel and at other co-op universities that the co-op graduates demonstrate greater job stability as well.

Nevertheless, the greatest benefit is to the student himself. He can find himself early in his program. He develops a sense of responsibility and initiative quite early in his productive life. His outlook is not bounded solely by the experiences of his teachers and his peers on campus. It is certainly no accident that the co-op institutions felt virtually no disruption in recent years.

I would like to note some reservations, some negative points, about co-op on a broad national and educational scale. Perhaps I should say "difficult" ones, rather than "negative."

Institutions with long experience in cooperative education find very little difficulty in placing engineering or business administration types in co-op jobs. They can always place them in jobs that are related to their previous campus program. We have over 800 companies to choose from in these fields.

With very little training, an engineer or bus ad major in most fields can make a worthwhile contribution. This is true of home economics as well.

But for students in the humanistic disciplines—and I was interested in the previous speaker's remarks—in the humanities and the social sciences and the arts, there is some difficulty in making co-op work, both for the student and his college.

Quite often, business, industry, and Government agencies are skeptical about the value of a young "generalist" in their midst for a relatively short period of time.

However, it has been our experience that the young "generalists" from our College of Humanities or Social Sciences bring to their co-op jobs the same qualities that co-ops possess to a high degree—intelligence, diligence, responsibility, and practicality—and are definite assets to their employer.

I should mention that our own humanities and social science majors are a little bit different in that they do not take freshmen in, and they are not allowed to enter that college unless they have been in one of the structured programs for at least a year.

The reaction to Drexel "generalists" co-oping in such offices as in NASA and the Office of Consumer Protection and in various governmental offices in the Commonwealth of Pennsylvania, for example, has been positive and even highly laudatory.

As more and more institutions adopt the co-op system, they are learning that co-op must be more than "earn as you learn." To provide a true educational experience, a co-op institution must staff an office of professionals who must first evaluate the students and then find the positions and wed the right student to the right job. This is a reasonably expensive operation.

At Drexel, one coordinator can handle as many as 200 engineering or business majors. In electrical engineering, for example, he can handle quite a few once he has the jobs set up.

On the other hand, when you go into the humanities and social sciences, 50 maybe is the maximum because these jobs come one by one. They have to be sought out at law offices or TV stations or things of that kind.

For the co-op program to be really educational the jobs provided must be related to the student's formal academic training. Needless to say, if all institutions were to go on co-op there would be a marked decline in the educational quality of the jobs available and a loss in educational merit.

An interesting problem of the co-op experience that is less than ideal is the tendency to localization. Co-op students generally come from middle class homes or poor homes and for financial reasons usually take the co-op position close to home so that they can commute and save their co-op salaries for tuition and other expenses.

We might have a great job for some kid. But if he has to put it all into airplane fares he won't go. Because of this great educational opportunities in other parts of the country often go begging.

In some instances we at Drexell have been able to raise private funds, mostly from our Board, to support certain selected co-ops where the opportunities out of town were either low-paying or nonpaying just so the students could take advantage of a particular opportunity.

Needless to say, an institution's ability to do this on more than a very small scale is severely limited.

An ideal circumstance would be the availability of outside funds which would allow the student from a middle income family to do his co-oping, at least in his second or third term, in other parts of the country. We try to get Atlantic kids to go South, to go to the Middle West or even go to the Far West.

Another opportunity is co-oping abroad. We have had a little luck here. Some students, for instance, in our college of home economics have studied fashion merchandising in Italy. Some of the engineers have gone into the auto companies in Europe.

Here again the cost is prohibitive. It generally means the student comes from a family of some reasonable means.

The cooperative system has a definite impact on the institution which sponsors it. I see it as an excellent opportunity for what has come to be called "technology transfer."

Too often people think of technology transfer as whether NASA, for example, can improve the quality of bristles in toothbrushes.

The real achievement of technology transfer is people transfer and not the transfer of things.

For this reason universities are one of the greatest sources of technology transfer, for we transfer past knowledge and new knowledge generated in the laboratories out into the world and into the commercial laboratories when they graduate the students.

But on the other hand the co-op college or university is the beneficiary of a reverse technological transfer. When the student returns to the classroom with the new knowledge that he has just acquired out in industry, it is this knowledge and experience that will keep university laboratories from becoming museums and their faculties curators.

If you have got an old piece of equipment the student tells you about it very quickly if he has seen something new.

Any professor who is teaching returning co-ops also knows that he has to keep on his toes. He can't give them the old method. He has to give them the modern method, whatever it is.

Of course there is some difficulty. Some faculty members are not fully convinced of the total benefits of the cooperative system. They think it interferes with what they are doing.

I mentioned earlier that I had some reservations when I became director 11 years ago. You get new faculty who have never experienced this before. This is especially true in the "pure" disciplines, physics, economics, mathematics. These professors resist it. They view co-op as not being in the highest level of education. They really feel it interferes with the continuity of their instruction.

Any institution considering a plan of cooperative education for the first time had better be prepared to educate their faculty first.

At Drexel we consider the cooperative system of education not only on as high a plane as an education restricted to the campus but in many ways superior to a campus-bound education.

This applies to graduate work as well as undergraduate. We are extending it to our master's programs and our doctorate programs and business, engineering, science, whatever.

Here as elsewhere any advances in higher education have to be based on a realistic chance of success. This means proper funding.

In our case this usually comes from the industrial firms.

In conclusion I want to restate my support of cooperative education. Properly staffed, with a faculty understanding its benefits and with a student body aware of its difficulties and with a student body committed to hard work, it is a meaningful productive and educational experience.

And our alumni love it; 97 percent of them say that is the way they would go again.

Mr. O'HARA. Thank you very much, Dr. Hagerty.

Dr. Hagerty, I wonder if you would mind sharing the witness table with Mr. Sydnor for a while. We are going to have some questions for both of you.

Let me make just one comment on your conclusion. It is hard for me to assess one engineering baccalaureate program against another engineering baccalaureate program because I have never been in either one. I have a hard time figuring that out.

But we had witnesses yesterday who were students in a law school co-op program at Northwestern University. I was able to assess their education a little bit as compared to my own. I came away with a very definite feeling that it would have been beneficial to me in law school. I would have come out a better lawyer if I had had the same opportunities that these co-op students have had in their law school experience.

I think it is a very definite advantage. By transfer one can assume that it would be advantageous in other fields as well.

I really think cooperative education is superior in many ways. It must be.

Mr. Sydnor, you suggest in your statement that co-op education is a great thing, that there ought to be more of it. You suggest that it be publicized through OE, the cost benefit and other intangible but useful results of co-op and that we consider specifying that nonprofit organizations such as chambers of commerce and professional trade associations have subcontracts with schools to develop jobs and handle certain administrative details.

But I am wondering. You stated in the beginning of your statement your complete support for this program. You say that the national chamber for many years has supported the cooperative education concept and particularly so since Dr. Sidney B. Marland championed the cause.

You had a national conference on co-op education. You had a series of small meetings and so on.

How are you doing? Do you think you can sell this program to your members? If you think you can sell it to your members I think we could sell it to the Congress for a big expansion.

If we can generate some demand for it, you don't have to sell it to the Congress, really. If you have got businesses wanting co-op people, Drexel would be happy, I am sure, to buy up Swarthmore.

So far there hasn't been that much demand. They don't have a problem in getting jobs. But they don't have to beat people away. There aren't any lines outside the door.

Dr. Hagerty, are businesses waiting for co-op jobs? You have said you have got to go out and locate those jobs.

The important thing is to get the coordinators working. So apparently there isn't all that much demand. What about it, Mr. Sydnor?

Mr. SYDNOR. We can make recommendations here in Washington as far as the business federation is concerned, just like some of the other national organizations and institutions in Washington can make recommendations. But it has to happen at the grassroots level.

That is why we think that by encouraging, as you said, local businessmen's organizations to understand what is available here and to perhaps, as you suggest, have a part in setting up the arrangements with business firms.

Actually I believe Dr. Hagerty might confirm the fact that most of the employers he deals with are of a larger nature. It becomes difficult for a school to get in touch with many of the small ones.

That is why we think that the chamber's organizational structure could be quite helpful in getting local chambers to take students.

I am a small businessman myself. We do work, for example, in the schools that have vocational students. We also take some students from our community colleges in Virginia.

We find that those students who have come out of training in institutions such as the community colleges that offer courses in retail management and so on, they are better employees and are more motivated than those who don't have those advantages.

Mr. O'HARA. I would like to work with you to see if we can't find ways to promote cooperative education. I think we have barely scratched the surface——

Mr. SYDNOR. You are correct.

Mr. O'HARA [continuing.] Of these possibilities. When you talked about financial aid, student financial aid, at a low cost to the Government and at a high return to the student, there is nothing better than co-op.

This not only costs Uncle Sam practically nothing it is a benefit to the student as well. He is working on something in a field related to his career objective and he is finding out if he likes the work or not and he is learning what the world is like. When he goes back to school he will be a better student because he has learned a little bit about the practical application of it.

When he goes to work he will be a better worker because he learned in school some things that were useful to him.

I think if we got a No. 1 priority it might be promoting cooperative education. I don't want to push it so fast that we end up with a lot of makework, worthless co-op. I think that would be the worst thing in the world that could happen.

I agree completely with you that we shouldn't get this mixed up with work study. We shouldn't make these subsidized jobs, you understand. Because if you start subsidizing private employers this gets into all kinds of murky areas.

I think it should be able to stand as it has on its own feet.

Dr. Hagerty, how do you feel about it?

Dr. HAGERTY. Let me comment on this large company-small company business. A large company has more places to put a co-op. But we have a pre-law program, Mr. Chairman. We try to place them with lawyers. Of course, they get nice experience.

Sometimes the small companies can't do it, they just don't have the variety of work or maybe the boss has got a couple of sons or he has got a contracting outfit. He might have a civil engineer.

But the thing that convinces anybody, even the small companies, is that about 60 percent of the co-ops go to work for somebody they co-oped for.

We have got more people trying to hire technical types this year. There has got to be a great future for these kids but most of them had their jobs in February. They were working for a co-op company. The youngster likes the company. The company likes the youngster. They get married.

Mr. O'HARA. Sounds great to me.

Dr. HAGERTY. Some of the "Fortune 500's" out on the west coast, I will say to them, "Why don't you come visit us?"

They will say, "We don't get anybody from you. All your best students are nailed down."

Mr. O'HARA. I will bet that is true, too. Because when a really energetic bright student is out co-oping, the co-op employer spots that student and say, "Ah hah. That is the one I want for certain when he or she finishes school."

So they do, I imagine, get snapped up quite early.

Dr. HAGERTY. If you have a hot sophomore, for example, and he does a great job, that employer is very likely to keep him in some kind of part-time work to keep his string on him.

Mr. O'HARA. Of course, I think we have to recognize, that there are few institutions, of which Drexel is one, that really have a very effective co-op program. So you couldn't expect that anybody could get into co-oping and do as well.

You have been doing it since when? 19——

Dr. HAGERTY. 19.

Mr. O'Hara. 1919. We think you will agree there is a limit as to how much we can expect this program to expand in a short period of time.

Dr. **Hagerty**. That is true.

Mr. **O'Hara**. Not everybody can have a successful co-op program. I think you have to have a certain amount of knowledge and experience.

Mr. **Sydnor**. These figures I mentioned, Mr. Chairman, indicate that there are 800 institutions around the country that have programs of this type. In the State of Virginia, for example, there are only nine 4-year institutions and community colleges that have it. There are probably 35 or 40 in total.

So today roughly 20 or 25 percent of the total colleges in my State have anything to offer. I think it is important particularly in the area of community colleges that this program be advanced in its participation.

In Virginia only three of our 23 community colleges are now offering co-op programs. They often work informally with employees and they are working closely with employers from their areas to make sure that their courses make sense for that particular community.

Mr. **O'Hara**. You will be interested in the testimony we had yesterday. Perhaps we can get you a copy of it. This was from Fiorello LaGuardia Community College, which is part of the city of New York, talking about their co-op program and what a success it has been. It is a new program. They are a new institution.

Dr. **Hagerty**. An advantage, Mr. Chairman, is that we have one-third of our undergraduates co-oping at all times. That means for every three students you need only two seats. You only need two-thirds of the space.

If you compare our budget with schools like RPI and Lehigh, Carnegie, schools like that, we feel we have about a 15 to 18 percent overhead advantage on operating costs.

There are other cost benefits as well.

Mr. **O'Hara**. Mr. Esch, do you have some questions?

Mr. **Esch**. Yes, thank you, Mr. Chairman. They are along the line that you were questioning about. I was concerned about the fact that although we have the larger corporations involved in these programs, I know it is very difficult for a smaller businessman to become directly involved. That relates probably to local chambers of commerce.

I am wondering, realistically, how many chambers have the resources to assist in the administration of programs such as this at the present time?

Mr. **Sydnor**. As I mentioned, there are roughly 2,600 local and State chambers. Naturally, the staff availability varies considerably from a metropolitan area like Detroit, New York, Chicago, to little towns where they have only a manager and a secretary.

However, there are about 450 local and State chambers with professional staff, and that could take the initiative in this area.

Your committee, as you well know, changed the rules on manpower during the past year. It is important for businessmen as well as other interested groups in the community to be part of new manpower programs.

The CETA Act of 1973 establishes this. Chambers are already getting active there.

I think this co-op type of education could tie in very well with this manpower revenue sharing concept.

The chambers, as I mentioned, have been active in NAB job programs in the past.

One of the big costs of a small businessman is, as in my type of business, retailing, there is a terrific turnover in personnel. If I can hire people who are probably going to stay for several years or more instead of someone who is going to be there for 2 or 3 months and then leave, my costs are substantially reduced.

Mr. Esch. I am glad you brought up CETA. I think that funds would be available under CETA the way we wrote the bill.

I am interested in getting the private business involved; to provide tax incentives, for example, and to place more dollars into better supervision and more coordinators at the local level to work with business and the clients in the employment field.

Mr. Sydnor. We feel there could be larger amounts spent wisely. Again, as a former member of the Virginia State Legislature, I look with some suspicion on great additions of funds when you don't have the programs worked out to use them wisely.

But I think what we did recommend among our other suggestions is that additional funding be made available to insure the proper training of cooperative education job developers.

Mr. Esch. Be able to get more companies to cooperate with the private institutions.

Mr. Sydnor. And to bring in more smaller sized businesses.

Mr. Esch. The larger companies borrow from their service offices. But in a smaller office the manager is the total show.

Mr. Sydnor. Yes.

Mr. Esch. There is a dichotomy that always crops up between the chambers and the unions at this level.

But I was wondering how you found the unions in term of willingness to cooperate in hiring work-study and co-op students.

Mr. Sydnor. Most of the major firms that are now working in the co-op programs are unionized almost completely. Apparently it has been working out quite satisfactorily. I guess the best example comes from the State where both the chairman and you, Mr. Esch, are from. General Motors is supposed to be completely unionized, as much as any company in the country.

Dr. Hagerty. You have to know the people, explain the problem. I think sometimes they are a little tender if jobs are short. But a lot of our construction engineers and civils work in construction in industry. The double-E's are the same way.

We have all kinds. Out of home ec we have both men and women styding food nutrition. They work for companies like food service companies.

After all, a great many of the students are the children of union people.

Mr. Esch. I think that is important to recognize.

I wonder what business is doing on the other side. What is business doing to help employees with their postsecondary education? Is there much of that going on?

In other words, how well is business encouraging employees to continue with their educational process?

Mr. Sydnor. With the rapidly changing technological aspects of business today in most fields it is almost natural that employees, you might say, re-educate themselves, train themselves.

Business is taking a major part in that directly. Many employers will pay all the tuition of their employees who take part-time courses. Often they will free them for several months at a time to take a concenterated course. Again, tuition and expenses are paid by the business.

I would like to comment in that connection on a question the chairman asked of Dr. Hagerty.

Business today, we feel, has a very great stake in education and makes available educational facilities. The change in the job market has been so tremendous in the last few years. I think as recently as 1930 roughly 25 percent of the jobs where unskilled.

Today's world is an entirely different world from the world of the 1920's and 1930's.

Mr. Esch. I appreciate both the gentlemen's responses.

I am especially indebted to the chairman for going into this area, one I have felt very strongly about.

Actually, when we passed the CETA bill last year we wanted to have more and more bringing together of the two programs and reexamine what their role is in terms of our manpower policy. We are just reaching out to the low income and lower middle income student. I really wonder why if it is good national policy to reach out to those young people, why wouldn't it be good national policy to encourage every child to have an opportunity to work and be encouraged to work this way at college and to be given that incentive.

I would be happy to hear the comments.

Dr. Hagerty. The Engineers for Professional Development have announced that they support cooperative education.

But for a 17- or 18-year-old a year is forever. But we even have programs where he earns a masters degree within 5 years.

Most of the co-op schools are also urban schools. Urban schools have certain advantages.

But we have to make sure that that fifth year seems like college. For the kids who co-op in the greater Philadelphia area we have basketball teams and bands for example. They come out there at night to be a part of the university. You have to make them a part of the university.

As a matter of fact our evening school bowling team just won the area championship. This is a big deal for those kids.

Mr. O'Hara. As a matter of fact it is my understanding that at Drexel that a student who is on co-op and is working has a student activities pass and he still has his tickets to the athletic events and he can even be living in the dormitory.

Dr. Hagerty. Oh, yes.

Mr. O'Hara. He can use the library and do whatever. Instead of going to classes he is going to work.

Dr. Hagerty. As another example, the Ford Motor Co. is preparing to build a dormitory for co-ops. The idea is to give the students a fraternity flavor.

Mr. Esch. Do you have a comment on that?

Mr. Snyder. Yes, Mr. Esch. One of our recommendations about cooperative education is to the effect that we understand that the law as far as cooperative education goes does not specify that a student participating must be from a low-income family. But we understand the HEW regulations so specify.

We thought in the interest of good legislative overview you might want to make your view on that known to the HEW people.

Mr. O'Hara. Will the gentleman yield on that?

Mr. Esch. I just want to emphasize when that bill was passed it was discussed vehemently in this room. The intent of the legislation was to open up the program to all income levels.

Mr. O'Hara. Will the gentleman yield?

Mr. Esch. I will be happy to yield.

Mr. O'Hara. This is one of those cases where the Office of Education used the law as the starting point, the statute as the starting point for the law. They then went on and wrote the law as they saw fit.

This is an example of the many we have encountered in these hearings.

Mr. Esch. I would say, Mr. Chairman, that many of us are coming to agree with a statement made by the Governor of Alabama some years ago, although many of us hate to admit it, that one of the real problems we have in the country is the regulation-writers and the bureaucrats in the buildings on the Potomac.

Mr. Sydnor. We believe that this is an advantage to the student no matter what his income or social background may be.

As the chairman pointed out, he thinks he would have been a better lawyer had he had experience working in a law firm in the summer or part-time.

Mr. Esch. The process should be to reach out to students everywhere regardless of their family background and income level.

I believe that the court is going to agree in the near future that an individual's child support or student support will not be dependent upon his family's financial situation.

Thank you very much, Mr. Chairman.

Mr. O'Hara. Thank you. I just have one more question. It is apparent to me that one of the things that this program needs if it is going to be expanded in any way is more co-op coordinators who know what they are doing.

I don't think you can take someone who has been in counseling for some years and say, "OK, now you are a co-op coordinator," without any further ado.

I am wondering if some of the established institutions who have been doing this, like Drexel, would be in a position if they were given sufficient leadtime and so forth to set up some training programs for co-op coordinators.

Dr. Hagerty. It would be very easy. We would be glad to do it.

Mr. O'Hara. Because you have the knowledge, the expertise and the experience.

Dr. Hagerty. Mr. Larson, behind me, is suggesting that as a fruitful way to help. I believe we could. We have 22 or 24 coordinators. We could take classes of 20 and turn them out every 6 months. We would have to teach them how to get the jobs because we do this with every new person. It is amazing.

Mr. O'Hara. Mr. Lehman?

Mr. Lehman. I don't really have any questions. I wanted to call this to your attention and see if you had any information on it. Once they are no longer co-op students and are now employed by the industry, what followthrough do you bring to the program to see that they won't fall apart on the job?

I keep getting feedback on these co-op programs, that the college or high school is no longer concerned with that person.

Those first months or year is really a critical point.

Dr. Hagerty. Before they graduate?

Mr. Lehman. Even after they graduate. They are out of mother college. It is a whole new ballgame. Can you give them some kind of a backup so that they will have some kind of a way to come back and get reinforcement of some kind?

Dr. Hagerty. Absolutely right. You have to keep in touch with them. An example, our lifetime placement service was severely tested a few years ago with the aerospace layoff. Some came back in after about 15 years.

Once we get some graduates in a company, say, out on the west coast, and we have recently gotten some in at COMSAT, we get the red carpet treatment. It is very, very effective. Our graduates are our best salesmen for the program. In the process of helping the youngster we keep in touch with the older man.

But you are 100 percent right. You have to exert some effort.

They are your best people in your fundraising campaign. As a practical matter they hear about these gift-matching programs.

When a company says they have two graduates of ours, we say, "Who are they?" You find their names. One might be a manager or a vice president. You get very well treated.

Mr. O'Hara. Great.

Thank you very much, gentlemen.

Our hearings today were kept short in order to permit members to participate in the meeting of the full Committee on Education and Labor which was called for this morning.

Tomorrow's meeting will be similarly limited because of the Democratic caucus that is meeting at 10 on a matter having to do with oil depletion allowances.

We will meet tomorrow.

The subcommittee will meet tomorrow. Because of the later meeting of the caucus the subcommittee will meet at 9 a.m.

At 9 a.m. we are going to hear from Mr. Edward Cole, who is president of General Motors, and Mr. Dewey Barich, who is president of the Detroit Institute of Technoltgy.

The subcommittee is going to take further testimony on Thursday of this week and on Tuesday of next week on the work component of title IV.

Thank you very much, gentlemen, for appearing before us.

Mr. Sydnor. Thank you.

Dr. Hagerty. Thank you.

Mr. O'Hara. The subcommittee now stands in adjournment until 9 tomorrow morning.

[Whereupon, at 10:30 a.m., the subcommittee adjourned, to reconvene at 9 a.m., Wednesday, May 15, 1974.]

STUDENT FINANCIAL ASSISTANCE

(Work Programs)

WEDNESDAY, MAY 15, 1974

House of Representatives,
Special Subcommittee on Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met at 9:10 a.m., pursuant to notice, in room 2257, Rayburn House Office Building, Washington, D.C., Hon. James G. O'Hara presiding.

Present: Representatives O'Hara, Lehman, Dellenback, and Esch.

Staff present: Jim Harrison, staff director; Robert Andringa, minority staff director; Elnora Teets, clerk, and Bonnie Stricklin, assistant clerk.

Mr. O'Hara. The subcommittee will come to order.

We are beginning our hearings at this rather inhospitable hour because the Democratic caucus of the House will convene at 10 a.m., and under the rules of the Democratic caucus this subcommittee will have to rise at 10; under the rules of the caucus we are forbidden to conduct committee meetings during the caucus.

We are looking for quite a lot of guidance from Mr. Gibbons this morning. We are going to be discussing the new ways and means bill.

Mr. Dellenback. The subcommittee can sit when the House is in session, but not when the Democratic caucus is in session.

Mr. O'Hara. That is correct. It gives a fine sense of priorities.

I hope our witnesses will bear with us as we move through these proceedings fairly expeditiously.

Sam Gibbons, of course, was a member of this committee and a very valuable member, whom we still miss. One of his most important contributions was the introduction of the legislation which in 1968 became the foundation for the Federal cooperative education program.

Mr. Gibbons will make his own views known here at our meeting this morning and will introduce our two witnesses.

I will suggest we withhold questions until all three of our witnesses have presented their statements.

STATEMENT OF HON. SAM GIBBONS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. Gibbons. Mr. Chairman, if you are ready, let me reminisce a little and try to pull this in perspective as far as I am concerned.

In 1968, I was sitting right there where Mr. Lehman is sitting right now. I recall John Dellenback and Al Quie and others.

In the discussion of the 1968 Education Act we decided to encourage cooperative education. Cooperative education was not born in this room or in the amendment Mr. Quie and I sponsored. It was a valuable program then but we recognized there should be an intense federal input into it.

In all instances of working with education here in the Education and Labor Committee and this particular subcommittee, there were really very few instances where you can influence what happens in education.

We were attempting to make education more relevant to man's needs and to make it possible for people to go to universities and colleges and graduate with a skill they could use and sell and market in the American economy.

I think Federal recognition of it was born from a belief that so often young people in our society are exposed to a lot of higher education and, when they get through, they are perhaps enriched and broadened by it, but they perhaps have missed the target very badly and are sometimes disappointed and disillusioned with their experience.

It was with this in mind we injected in the program provisions for seed money for cooperative education to get started. The administration was slow in picking it up, but it has now increased its request to over $10 million. It's in the President's budget this time, and the Federal Government has been pushing in a conservative sort of way a very fine program of expanding cooperative education into more institutions.

Before I introduce our two witnesses here this morning, I would like to say something more personal. Our oldest son, Cliff, enrolled in cooperative education and became a living, walking, talking, example of what happens. He was turned on by cooperative education and what he could learn and do. Mrs. Gibbons is in the room this morning and is a more eloquent witness than I am. She can state what has happened to a young man who is not disadvantaged. Many times we think of it as being a program for disadvantaged, but it is not.

I have talked with my friends about the education their children are getting. When I tell about Cliff's enrollment in cooperative education, parent after parent has told me, "I wish my child had that opportunity. How does he get into that program?"

I advise them to have their child enroll with the counselor at the school and he will get them started.

I think this is a program that is needed by our country. I think we embarked upon a good start. It is not a perfect answer. Perhaps you gentlemen can fashion a better answer than we have so far.

As you know, cooperative education combines work experience in the field the person wants to go into with school. Perhaps they are just exploring, trying to find themselves as some young people are doing; it is combined with full-time educational experience.

In other words, a student may work a quarter or semester after he has gone to school for a couple of quarters or semesters, and he may start off in one field and go off in another.

Two of us at the table started off in fields we had not intended to. I started off being an engineer and ended up being a lawyer, and Mr. Cole started out as a lawyer and ended up as an engineer. The fellow who got hold of him and made him an engineer did a better job of making him an engineer than I a lawyer.

Let me first introduce to you a man you had breakfast with, a man widely known and I feel rather humble introducing him, Mr. Edward Cole, president of General Motors.

He started as a teenager, working himself up into his career. He sold tractors as a teenager; started out in law, and ended up in engineering; he received his degree after he worked for many, many years. He started into engineering in a cooperative type of program. To say that he is the president of General Motors is to say enough about him. It proves he is a successful man, is a man who knows how to manage, inspire, and produce. He has a statement for you.

The next man is Mr. Dewey Barich, who, Mr. Chairman, you know is from your own hometown. He is a distinguished educator.

I will turn the rest of the program over to them, and thank you personally, and the committee, for allowing me to be with you.

Mr. O'HARA. Thank you very much, Mr. Gibbons.

I hope when we come out with a bill this year, which I expect to, that we can have your help again on the floor even though you are no longer with this committee. I have found you to be one of the most effective promoters of legislation that I have ever seen. You are not going to get out of helping us.

Mr. Cole, we would like to hear from you.

STATEMENT OF EDWARD N. COLE, PRESIDENT, GENERAL MOTORS CORP., ACCOMPANIED BY HAROLD P. RODES, PRESIDENT OF GMI

Mr. COLE. Mr. Chairman, my name is Edward N. Cole. I am president of General Motors Corp. and a product of the cooperative education program of General Motors Institute at Flint, Mich. With me is Dr. Harold P. Rodes, president of GMI.

I would also like to say I can't help but endorse and congratulate Congressman Gibbons. I think he has covered everything.

I have briefed-down my statement to points I feel would be of interest to the committee. However, the text of my full statement will be available for the full record.

I am especially grateful for this opportunity to meet with you this morning because cooperative education is no stranger to General Motors or to me. It is an educational philosophy which, in my judgment, is responsive to the needs of a significant portion of our Nation's education requirements—for the individual and the institution. It serves private industry equally well and, if allowed, could help those entering Government service to become more effective.

For these reasons, cooperative education deserves increased recognition and support from all segments of our society, particularly Congress.

It is my judgment that there will be an increasing demand for the cooperative approach to higher education in the coming decades. Consider two things: First, the growing complexity and mechanization of American industry. This will require enthusiastic workers with a wide variety of skills. And second, the rising cost of a traditional 4- or 5-year college or university education is making it increasingly difficult for many families to afford higher education for their children.

Of national interest is the fact some of our largest and most pressing problems are in our large metropolitan centers. New approaches will have to be developed from intensive study of societal motivation and reaction as we seek to resolve our urban renewal, transportation, environmental, welfare, health, and educational problems. These problems are the most difficult of our times, and it seems that each is related to situational factors which cannot be evaluated fully in textbooks or in classrooms. For this reason, cooperative education projects should be designed to provide professional workers in these areas of need.

At GM we have had extensive experience through the General Motors Institute and through an equally broad program with other educational institutions. This background has given GM management sufficient insight and understanding of the program that we support it wholeheartedly—at central staff and in the 33 divisions of GM which are now actively participating.

Our support is based in part on the total, almost intuitive, reaction on the part of management and employees that the program is good for the corporation and good for the students who participate in it. We like the opportunity the program offers of inserting GM orientation and problems into the student's early schooling and training periods.

At this point, we have flexibility in shifting student training that we do not have at the professional salaried level. This pays off in an earlier competence and capability in solving our problems. In most cases, such a student carries his own weight sooner than a 4-year graduate hiring in.

I might add there, do we have a program of a 2-year college graduate in-training program; this is another important factor in the total GM cooperative education program.

At GM we find that many of the concepts which enter into a discussion such as this are not easily supported with cost-benefit data at this time. However, we are attempting to put this together. This is probably because our experience has been sufficient on other grounds and we have not sought to justify it on that basis. However, the value is there and is exemplified by the fact that our retention rate for coop graduates is 40 percent better than for the regular college recruit, basd on GM graduate experience.

Thus, even without specific data, we feel there are cost savings to GM for the coop employee coming in and avoidance of subsequent replacement costs because more of these employees stay with us for a long time.

It is a mistake to think that the cooperative plan of education is most easily and directly applicable to business and industry.

Since science and practical technology will play increasingly important roles in our future, cooperative education institutions are just as good recruiting grounds for Government personnel as they are for industry and business.

Legislative and regulatory matters could be resolved more easily if legislators, staff members, and other Government career employees were exposed to work experiences paralleling their academic goals and and to academic courses paralleling their career goals.

Now, this is no criticism, this is just an observation.

As one example with which I am familiar, many of the difficulties and delays in safety, emissions, noise, damageability, and now fuel economy regulation of the automobile are partially attributable to an initial lack of understanding on the part of some of the Government officials involved. In these cases, an understanding of the scientific or production facts, such as would come through a cooperative work experience in the auto industry, would improve progress to everyone's benefit.

Unfortunately, an attempt on the part of industry to explain such factors is often interpreted as opposition or "foot dragging." This is not so. It is the only way we know to make certain that the end result will truly be in the public interest.

And now I'd like to discuss General Motors' background and activities in cooperative education. Most of what I have said today is based upon our corporate and my personal experience with General Motors Institute, an excellent institution of higher learning.

We have been involved in cooperative education since the establishment of General Motors Institute as a part-time training school in 1919, just 13 years after Herman Schneider instituted the first program of cooperative education at the University of Cincinnati in 1906. Since its incorporation in 1926 GMI has provided the corporation with educational programs and services in engineering and management. Many of GM's officers top managers and salaried employees are graduates of GMI. At one time during the past year a count would show that three of the seven members of our executive committee and 16 additional vice presidents and general managers were graduates of GMI.

My own participation in cooperative education began in 1930 when I enrolled at GMI as an engineering student under the sponsorship of the Cadillac Motor Car Division. I didn't get my degree until 1952 because my work assignments which began as part of my cooperative schedule often extended beyond the customary time sequences. Ultimately the full-time work involvement became the predominant aspect of my career, and it was necessary to return for my degree many years later.

Because of my personal experiences, I assure you that I know the full value of a cooperative education.

Students are accepted at General Motors Institute only if two requirements are met: One, that a GM plant or staff unit sponsors the student; and two, that the student has qualified academically by having completed a prescribed schedule of subjects in high school with acceptable grades. Because many good candidates do not come to us with grades at an acceptable level, we have a prefreshman program for these students to bring their school experiences up to a proper level for admission. In the past 3 years, we have had approximately 250 enroll in this program, with the same sponsorship and financial support by the corporation as in the regular program.

Unfortunately, not all applicants who are qualified academically can be accepted because of the limited number that can be accommodated at the institute. GMI received 3,000 applications this year for a freshman class that will number about 600. It is simply not possible to include all these fine young people, much as we would like to.

There are 3,189 cooperative students at GMI this academic year, sponsored by 150 of GM's plants and staffs in the United States and Canada. Of the more than 12,000 GMI graduates, over 7,000 are still with General Motors, even though they are not required to remain with us 1 day beyond graduation.

Because our needs are more extensive than GMI can satisfy, we also have a large cooperative education program with other schools in the

Nation. From these other schools, we employed 992 cooperative education students representing 100 institutions of higher learning during the 1972–73 academic year. The 100 institutions included junior and community colleges as well as the traditional 4-year colleges and universities. The students included 480 who were studying engineering and science, 356 studying business administration, and 156 studying technology.

From what I have said so far, one might conclude that no modification of current Government programs is needed. Unfortunately, that is not the case.

Primarily, our recommendation is for a higher level of Federal activity under part D, the cooperative educational programs section of title IV of the Higher Education Act. Since that part of the law has such value to all segments of business, industrial, and Government life, General Motors would like to make these three suggestions:

First, Congress should study means for encouraging other industries, even small businesses, the teaching professions, as well as Government itself, to participate in cooperative education.

Second, in order to permit the full development of cooperative education potential, the limitation on Federal expenditures in this area should be broadened to include development of work opportunities among potential employing businesses and agencies of Government. Thus far, these appropriations have been limited by section 451 of the act to the teaching institutions.

If we accept the premise that cooperative education is a process of development that is shared mutually by the instructing institution and the sponsoring employer, then it should be obvious that the Federal effort has supported only one-half of the program.

It is my thesis today that Congress should explore this developing problem and eliminate the barrier which may prevent a worthwhile and effective way of expanding the cooperative program to help students, schools, and employers solve our major urban problems.

Third, Congress should promote use of cooperative education as a means for improving the hiring and upward mobility of minority and women employees. At GM we now realize the great potential for cooperative education to help us achieve our objectives in these areas, and we have launched several programs to take full advantage of the program in this respect. Specifically, General Motors Institute is playing a major role in the corporation's efforts to develop the potential of minorities and women for higher-level jobs. In the last year, the enrollment of minorities in GMI's full bachelor's degree program increased from 372 to 412. Minorities now represent over 13 percent of the total GMI enrollment. The number of women in the degree program rose from 112 last year to 247 this year, an increase to about 8 percent of the student body. In addition, GMI has developed a number of special programs aimed specifically at these groups, designed to upgrade technical and managerial skills. Because of our success in this beginning effort, we feel strongly that Congress should study ways to promote wider use of cooperative education among minorities and women employees.

Mr. Chairman, these recommendations all suggest the probability of increased Federal interest in and support for cooperative education. To accommodate this increased support, I suggest Congress might explore the budget technique we sometimes use in business of shifting appropriations from one closely-related program to another.

In conclusion, this hearing is another opportunity to advance the understanding of important people of the value of cooperative education.

Cooperative education is responsible. It is accountable. Its performance has facilitated rather than impeded educational purposes.

At a conference in Dayton, Ohio, back in 1957, C. R. Osborn, then a vice president of General Motors and a founding trustee of the National Commission for Cooperative Education, said that the cooperative approach to education represented triple profit—profit to the student, profit to the cooperating institution and profit to industry. Mr. Osborn's assessment is as valid today as it was 17 years ago.

Clearly on the basis of what it has already contributed and achieved in the field of higher education, cooperative education is one of our best bargains in return for money spent. It is ready and capable of a new era of expansion and service to the Nation.

Thank you.

Mr. O'HARA. Mr. Cole, without objection, your statement will appear in full in the record.

[Mr. Cole's statement follows:]

STATEMENT PRESENTED BY EDWARD N. COLE, PRESIDENT, GENERAL MOTORS CORP.

Mr. Chairman, my name is Edward N. Cole. I am President of General Motors Corporation and a product of the cooperative education program of General Motors Institute at Flint, Michigan. With me is Dr. Harold P. Rodes, president of GMI.

I am especially grateful for this opportunity to meet with you this morning because cooperative education is no stranger to General Motors or to me. It is an educational philosophy which, in my judgment, is responsive to the needs of a significant portion of our nation's education requirements—for the individual and the institution. It serves private industry equally well and, if allowed, could help those entering government service to become more effective.

For these reasons, cooperative education deserves increased recognition and support from all segments of our society, particularly Congress.

GENERAL OBSERVATION

Cooperative education is a realistic and relevant education and is especially suited to the needs of students and employers in this age of industrialization and urbanization. It is a first-rate education because it successfully combines theory and practice in the desirable proportions.

It is my judgment that there will be an increasing demand for the cooperative approach to higher education in the coming decades. Consider two things: First, the growing complexity and mechanization of American industry will require enthusiastic workers with a wide variety of skills. And, second, the rising cost of a traditional four or five-year college or university education is making it increasingly difficult for many families to afford higher education for their children. Both these factors have a significance for the nation, for our academic centers, for employers and for parents, as well as for the students themselves on whom the future of our country depends.

NATIONAL INTEREST

A labor force of 107.7 million in 1985 has been predicted by the U.S. Department of Labor in its recently-published *Occupational Outlook Handbook*. Because our industrial society is utilizing technology to a greater extent, jobs will become more complex and require greater skill. Employers, in turn, will need and seek people who have higher levels of education.

The growth in employment will be fastest in those occupations requiring the most education and training. The Labor Department points out, for example, that professional occupations will grow at an increasing rate between now and 1985 as the nation makes greater efforts toward the country's socioeconomic progress.

Some of our largest and most pressing problems are in our large metropolitan centers. New approaches will have to be developed from intensive study of societal motivation and reaction as we seek to resolve our urban renewal, transportation, environmental, welfare, health and educational problems. These problems are the most difficult of our times, and it seems that each is related to situational factors which cannot be evaluated fully in textbooks or classrooms. For this reason, cooperative education projects should be designed to provide professional workers in these areas of need.

If we respond to these opportunities to use all our human and institutional resources in the way they can serve the nation best, much better conditions for our progress and growth will accompany the fulfillment of the Department of Labor's prediction.

PERSONAL INTEREST

While a high school education has been the standard for most American workers, training beyond high school has become a necessity for an expanding number of semiskilled and near-professional occupations. The wider use of new, highly sophisticated automated equipment in offices and on the production lines has already raised the skill requirements for many factory, clerical and other jobs. New methods of manufacture, new materials and new products to meet our constantly changing and rising standard of living will require workers who have greater technical knowledge and the ability to understand and operate the complicated machinery of the future.

While a higher level of education or more specialized training will be required for many jobs which offer the best wages, it is somewhat ironic that higher education is getting beyond the financial ability of an increasing number of American families.

This circumstance is resulting in greater enrollments in the nation's two-year community colleges. This is especially true of minority students who, because they are highly career oriented, realize that they must leave the campus with critical or unique job skills which will enable them to step quickly and competently into a job. They want the degree they earn to be relevant in terms of a steady paycheck.

Cooperative education provides several benefits not experienced in the traditionally-structured manner of education. As I stated at the outset, its first and perhaps biggest advantage is that it permits the right exposure to and blend of practical experience with technical theory.

Second, it provides an atmosphere where students can flourish in the real world of competition and where their true potential for success can flower early in both the education and work experience. This has always been possible in the academic arena, but it is a distinct advantage to a student to have his leadership possibilities exposed early in his career work as he participates actively and effectively in the cooperative venture.

And, third, it puts a higher education within the reach of many who might not otherwise get it. Earning while learning enables students to pay a substantial part of their educational expenses. While this third point is obvious to many, what might not be understood equally well is that cooperative education keeps many students in school who otherwise might drop out. It often provides that essential "break" in the sometimes tiresome stretch for a degree, when finances or the discipline of continual schooling get a bit pressing. Cooperative education in these cases provides a helpful mix of pressures and environments which makes the achievement of that final objective a little easier, be it a bachelor's or other degree.

Early entry in an occupation, incidentally, has additional fringe benefits for the employe. In the case of our own General Motors cooperative program, for example, the five years spent as a co-op student at GM are counted as service at retirement time and are years in which the student is covered under our health insurance plan. Moreover, when he becomes a salaried worker in the later stages of the program, he enters the full range of GM's fringe benefits earlier than would a newly-hired employe.

Finally, by working while earning an academic degree, students are oriented to the world of work. They have the opportunity to learn about the range of occupations open to them and the potentials and limitations of the fields which interest them. Most importantly, they have the opportunity to change academic plans and prepare for a more informed vocational choice in the event they decide their abilities are more suitable for a different career.

This flexibility is desirable and pays dividends. The coordination of work experience with the academic program motivates students. It causes them to find greater meaning in their studies as they see the connection between the jobs they hold and the things they learn on campus.

BUSINESS AND INDUSTRY INTEREST

During the work-and-learn experience, student and employer have the chance to view each other carefully and critically before deciding if they are meant for the regular employment relationship. There is a smoother transition into full-time employment at the end of the undergraduate period. The cooperative experience reduces or even eliminates the apprenticeship and training programs usually required of new employes.

Another principal advantage of the program is that the co-op student—the successful one anyway—becomes a "missionary" for the employer. His understanding and appreciation of the company and the function it fulfills in the provision of goods and services in our economic system are a dividend that is often overlooked. His "goodwill ambassador" role is invaluable to the educational institution and the employer.

Finally, of equal importance to student and employer, is the assurance of meaningful employment for the graduate. Permanent employment of cooperative education graduates assures employers of employes who are experienced in the company and have already established a record of constructive work.

GENERAL MOTORS INTEREST

At GM we have had extensive experience through the General Motors Institute and through an equally broad program with other educational institutions. This background has given GM management sufficient insight and understanding of the program that we support it wholeheartedly—at central staff and in the 33 divisions of GM which are now actively participating.

Our support is based in part on the total, almost intuitive, reaction on the part of management and employes that the program is good for the corporation and good for the students who participate in it. We like the opportunity the program offers of inserting GM orientation and problems into the student's early schooling and training periods. At this point, we have flexibility in shifting student training that we do not have at the professional salaried level. This pays off in an earlier competence and capacity in solving our problems. In most cases, such a student carries his own weight sooner than a four-year graduate hiring in.

At GM we find that many of the concepts which enter into a discussion such as this are not easily supported with cost/benefit data at this time. This is probably because our experience has been sufficient on other grounds and we have not sought to justify it on that basis. However, the value is there and is exemplified by the fact that our retention rate for co-op graduates is 40 percent better than for the regular college recruit, based on GMI graduate experience.

Thus, even without specific data, we feel there are cost savings to GM for the co-op employe coming in and avoidance of subsequent replacement costs because more of these employes stay with us.

INTEREST OF UNIVERSITIES AND SCHOOLS

Cooperative programs enable the educational system to become more aware of the needs of industry. Because the adequate education of the student is of paramount importance, the institution and the employer establish a relationship which reduces the isolationism of the school and results in a better rapport with the commercial community.

This mutually important relationship enables the faculty to be kept up to date and stimulated by events in the world of commerce because the student's on-the-job experiences become a vital part of the classroom program. In a way, you might say that industry assists with the design of the educational curriculum because the feedback between industry and education through the student and the faculty keeps the institution more in tune with the needs of industry. The average educational institution simply does not have the resources to keep abreast of today's fast-moving technology by other means.

The increasing complexity of modern society has heightened the need for improved cooperation between industry and education. In preparing youth for the highly competitive job market, education can be the equalizer that breaks down racial and economic barriers. The business community feels that, if education is to accomplish its goal of providing equal opportunity for advancement, it must be more directly related to the real world and the needs of students. To some, this means that greater emphasis should be on career orientation. This suggests the expansion of cooperative programs or the achievement of a marketable skill before students join the work force.

GOVERNMENT INTEREST

It is a mistake to think that the cooperative plan of education is most easily and directly applicable to business and industry.

Since science and practical technology will play increasingly important roles in our future, cooperative education institutions are just as good recruiting grounds for government personnel as they are for industry and business.

Legislative and regulatory matters could be resolved more easily if legislators, staff members and other government career employes were exposed to work experiences paralleling their academic goals and to academic courses paralleling their career goals.

As one example with which I am familiar, many of the difficulties and delays in safety, emissions, noise, damageability and now fuel economy regulation of the automobile are partially attributable to an initial lack of understanding on the part of some of the government officials involved. In these cases, an understanding of the scientific or production facts, such as would come through a cooperative work experience in the auto industry, would improve progress to everyone's benefit.

Unfortunately, an attempt on the part of industry to explain such factors is often interpreted as opposition or "foot dragging." This is not so. It is the only way we know to make certain that the end result will truly be in the public interest.

I should add at this point that corporate managers would benefit, too, if they were exposed to the structure and functioning of government prior to assuming their positions of general responsibility.

GENERAL MOTORS INVOLVEMENT IN COOPERATIVE EDUCATION

And now I'd like to discuss General Motors' background and activities in cooperative education. Most of what I've said today is based upon our corporate and my personal experience with General Motors Institute, an excellent institution of higher learning.

We have been involved in cooperative education since the establishment of General Motors Institute as a part-time training school in 1919, just 13 years after Herman Schneider instituted the first program of cooperative education at the University of Cincinnati in 1906. Since its incorporation in 1926, GMI has provided the corporation with educational programs and services in engineering and management. Many of GM's officers, top managers and salaried employees are graduates of GMI. At one time during the past year, a count would show that three of the seven members of our executive committee and 16 additional vice presidents and general managers were graduates of GMI.

My own participation in cooperative education began in 1930 when I enrolled at GMI as an engineering student under the sponsorship of the Cadillac Motor Car Division. I didn't get my degree until 1952 because my work assignments, which began as part of my cooperative schedule, often extended beyond the customary time sequences. Ultimately, the full-time work involvement became the predominant aspect of my career, and it was necessary to return for my degree many years later.

Because of my personal experiences, I assure you that I know the full value of a cooperative education. Its innovative approach has been revolutionizing higher education. This revolution—very quiet and quite orderly—is producing capable, well-trained professionals and technicians without spectacular confrontations or disruptions.

Students are accepted at General Motors Institute only if two requirements are met: One, that a GM plant or staff unit sponsors the student; and, two, that the student has qualified academically by having completed a prescribed schedule of subjects in high school with acceptable grades. Because many good candidates do not come to us with grades at an acceptable level, we have a pre-freshman program for these students to bring their unacceptable grades up to a proper level for admission. In the past three years we've had approximately 250 enroll in this program, with the same sponsorship and financial support by the corporation as in the regular program.

Unfortunately, not all applicants who are qualified academically can be accepted because of the limited number that can be accommodated at the Institute. GMI received 3,000 applications this year for a freshman class that will number about 600. It is simply not possible to include all these fine young people, much as we would like to.

There are 3,189 cooperative students at GMI this academic year sponsored by 150 of GM's plants and staffs in the United States and Canada. Of the more than 12,000 GMI graduates, over 7,00 are still with General Motors, even though they are not required to remain with us one day beyond graduation.

Because our needs are more extensive than GMI can satisfy, we also have a large cooperative education program with other schools in the nation. From these other schools, we employed 992 cooperative education students representing 100 institutions of higher learning during the 1972–73 academic year. The 100 institutions included junior and community colleges as well as the traditional four-year colleges and universities. The students included 480 who were studying engineering and science, 365 studying business administration and 156 studying technology.

RECOMMENDATIONS FOR CONGRESSIONAL ACTION

From what I've said so far, one might conclude that no modification of current government programs is needed. Unfortunately, that is not the case.

Primarily, our recommendation is for a higher level of federal activity under Part D, the Cooperative Educational Programs section of Title IV of the Higher Education Act. Since that part of the law has such value to all segments of business, industrial and government life, General Motors would like to make three suggestions:

First, Congress should study means for encouraging other industries, even small businesses, the teaching professions, as well as government itself (at all levels) to participate in cooperative education. The benefits to each participant are significant. They have been demonstrated and are among the most effective programs in which federal monies have been expended. The obvious need is for the concept to be understood and utilized more broadly in our national community.

Second, in order to permit the full development of cooperative education potential, the limitation on federal expenditures in this area should be broadened to include development of *work* opportunities among potential employing businesses and agencies of government. Thus far, these appropriations have been limited by Section 451 of the Act to the teaching institutions. If we accept the premise that cooperative education is a process of development that is shared mutually by the instructing institution and the sponsoring employer, then it should be obvious that the federal effort has supported only one half of the program.

The consequence of the current policy of federal funding, at least in part, is that there are more students on the campuses even today who wish to participate in cooperative programs than can be placed with sponsoring employers. Employer understanding, as well as that of school administrators, needs to be supported in ". . . planning, establishment, expansion or carrying out . . . programs of cooperative education." At the same time, many of society's major problems, to which I've previously referred, are growing in dimension—although we are making progress in a few areas. The fact remains that government agencies now seeking to solve these same problems of housing, health, environment and education could provide excellent work experiences within the best concept of cooperative education. But they are not now doing so apparently because they do not understand the full potential of cooperative education. It is my thesis today that Congress should explore this developing problem and eliminate the barrier which may prevent a worthwhile and effective way of expanding the cooperative program to help students, schools *and employers* solve our major urban problems.

Third, Congress should promote use of cooperative education as a means for improving the hiring and upward mobility of minority and women employes. At GM, we now realize the great potential for cooperative education to help us achieve our objectives in these areas, and we have launched several programs to take full advantage of the program in this respect. Specifically, General Motors Institute is playing a major role in the Corporation's efforts to develop the potentiol of minorities and women for higher-level jobs. In the last year, the enrollment of minorities in GMI's full bachelor's degree program increased from 372 to 412. Minorities now represent over 13% of the total GMI enrollment. The number of women in the degree program rose from 112 last year to 247 this year, an increase to about 8% of the student body. In addition, GMI has developed a number of special programs aimed specifically at these groups, designed to upgrade technical and managerial skills. Because of our success in this beginning effort, we feel strongly that Congress should study ways to promote wider use of cooperative education among minorities and women employes.

Mr. Chairman, these recommendations all suggest the probability of increased federal interest in and support for cooperative education. To accommodate this increased support, I suggest Congress might explore the budget technique we sometimes use in business of shifting appropriations from one closely-related program to another. Moreover, we recommend that ultimate utilization of these funds *for the benefit of students* should be assured by requiring a periodic evaluation of how the money now appropriated is spent. The statutory purpose of "planning" for the establishment and expansion of cooperative programs is justifiable only if it is a means to an end, and not the end itself.

CONCLUSION

In conclusion, this hearing is another opportunity to advance the understanding of important people of the value of cooperative education. Our educational system cannot be changed and improved in a meaningful way in isolation. Education must have the have active support and cooperation of business, industry and government fit it is to find better ways to provide our youth with more knowledge and more proficient skills. It is my hope that you will devise ways to implement a program that can be of strategic importance to our manpower planning.

Cooperative education is responsible. It is accountable. Its performance has facilitated rather than impeded educational purposes.

At a conference in Dayton, Ohio, back in 1957, C. R. Osborn, then a vice president of General Motors and a founding trustee of the National Commission for Cooperative Education, said that the cooperative approach to education represented triple profit—profit to the student, profit to the cooperating institution and profit to industry. Mr. Osborn's assessment is as valid today as it was 17 years ago.

Clearly on the basis of what it has already contributed and achieved in the field of higher education, cooperative education is one of our best bargains in return for money spent. It is ready and capable of a new era of expansion and service to the nation.

Thank you.

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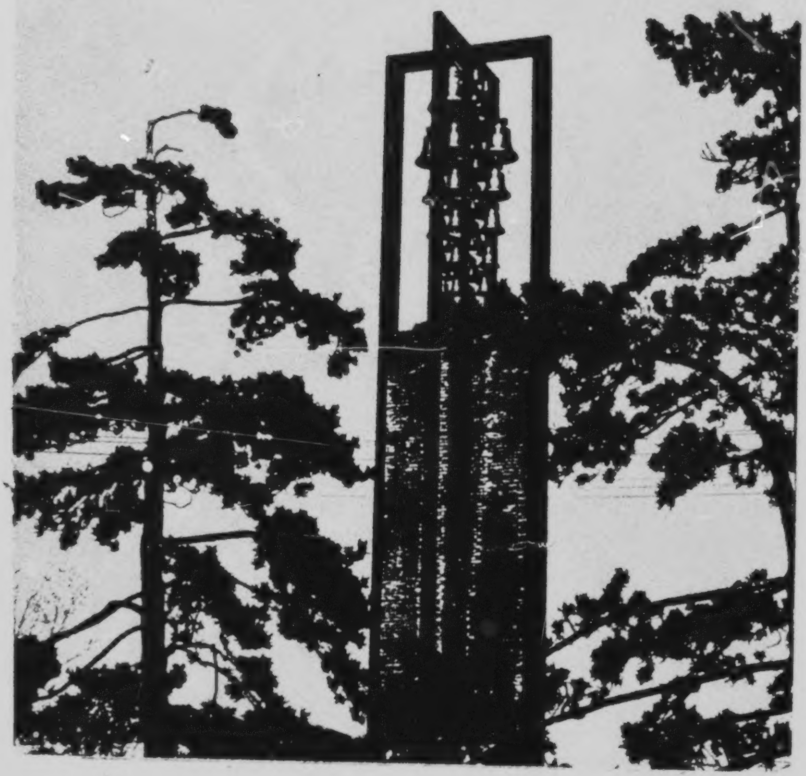
OPPORTUNITY



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GMI

General Motors Institute, located in Flint, Michigan, is a private college owned and supported by the General Motors Corporation. GMI is accredited by the North Central Association of Colleges and Secondary Schools and offers bachelor degree programs in Electrical, Industrial, and Mechanical Engineering and Industrial Administration.

Established in 1919, GMI conducts its five-year programs on the cooperative plan of education for students sponsored by the participating units of General Motors. Nearly two-thirds of the GMI graduates have found their career opportunities in a wide range of engineering and managerial positions in GM units. Approximately 3,000 students are currently enrolled in the GMI programs.

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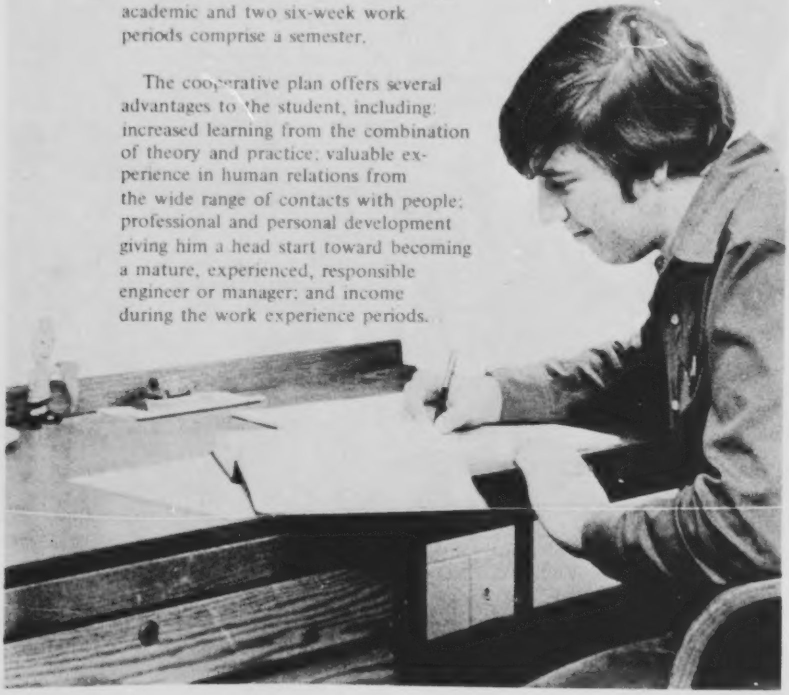
Educational Plan

The **GMI Engineering and Industrial Administration Programs** offer to qualified high school graduates a sound education and an opportunity to prepare for a career in General Motors. Students follow a cooperative plan which combines a strong academic program at GMI with related work experience in one of the General Motors sponsoring units located throughout the United States and Canada. During the first nine semesters (the cooperative phase) of these five-year programs, the students alternate between six-week periods of academic study at GMI in Flint and work assignments in their sponsoring General Motors units. During the tenth semester (the degree phase), each student completes an undergraduate thesis on a GM unit problem. Two six-week academic and two six-week work periods comprise a semester.

The cooperative plan offers several advantages to the student, including: increased learning from the combination of theory and practice; valuable experience in human relations from the wide range of contacts with people; professional and personal development giving him a head start toward becoming a mature, experienced, responsible engineer or manager; and income during the work experience periods.



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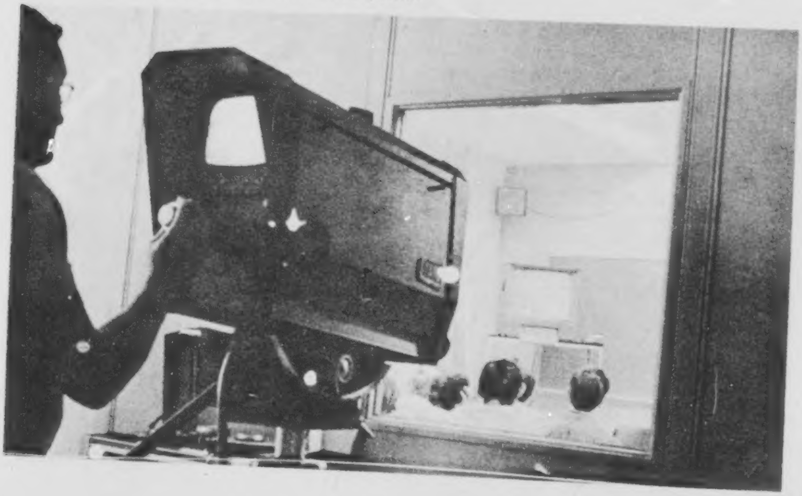
Selecting GMI

Young persons considering GMI need to understand that the objective of the GMI programs is to contribute to their development for careers of technical and managerial responsibility in the General Motors Corporation. An applicant must conclude that his abilities and interests lie in an engineering or industrial administration program that is closely integrated with actual industrial experience. GMI offers no other program to which a student may transfer if he finds these areas not to his liking.

The sponsorship of an applicant in a GMI program by a General Motors unit indicates its interest in developing engineering and managerial personnel for the future. Thus, the applicant's goals and interests should be for a career in industry and compatible with those of the GM unit from which he seeks sponsorship. Mutual decisions must be reached on matters ranging from the course of studies selected to the career opportunities available in the sponsoring GM unit.

Applicants must find the cooperative plan an agreeable arrangement, recognizing it as an educational process and not merely a way to finance an education. They must be strongly motivated, able, and willing to work hard because GMI's concentrated program of studies demands ability and exceptional devotion of effort.

The GMI curricular offerings, the pattern of operations, and the standards and requirements — both academic and personal — reflect the above-mentioned points.



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Careers in General Motors

The mechanical, industrial, and electrical engineering curricula prepare the student to pursue the engineer's tasks of design, development, and evaluation. Mechanical Engineering involves these activities as applied to motive power units, machines, tools, and their products. Industrial Engineering concentrates on them in the installation of integrated systems of men, materials, and equipment to accomplish the work of the organization. Electrical Engineering emphasizes these activities as applied to electrical products, instrumentation and control of processes, and plant electrical power distribution.

The industrial administration curriculum prepares students for careers in one of three broad areas: Production Management, which covers the supervision or direction of manufacturing operations and allied activities; Production and Material Control, which involves the planning, scheduling, and control of production, purchasing, material handling, and warehousing; and Marketing, which deals with planning, promoting, and analyzing the distribution of products and parts and the handling of manufacturer's contacts with and services to retail outlets.

Graduates of GMI normally progress to increasingly responsible positions in engineering and management and some move on into positions in related staff activities and general administration. Positions attained by GMI graduates in General Motors include President, Executive Vice President, Group Executive, General Manager, Chief Engineer, Plant Manager, Staff Engineer, Superintendent, Production Manager, Director of Reliability, and Sales Manager.

Thus, a wide range of attractive lifetime opportunities are available to young men and women through affiliation with General Motors and sponsorship in General Motors Institute. The diversity of GM products and the wide-spread geographical locations of the participating GM units increase these opportunities.

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Courses of Study

In the Engineering Program, the courses of study for the first two years are common for all students. In the second year, the engineering students, with the advice and approval of their sponsoring GM units, elect the fields of engineering in which they will specialize in the third through the fifth years.

Courses of study in the freshman year include

First Semester	**Second Semester**
Calculus I	Calculus II
Materials Science I	Physics I
Production Processes I	Production Processes II
Design I	Computer Programming
Human Communication	Current Issues in Historical Perspective

The courses of study in the first three years of the Industrial Administration Program are common to all students. In the third year, the industrial administration students, with the advice and approval of their sponsoring GM units, select their areas of specialization for the fourth and fifth years.

Courses of study in the freshman year include

First Semester	**Second Semester**
Calculus I	Calculus II
Written & Oral Communication I	Physical Science II
Current Issues in Historical Perspective	Man in Society
Graphic Communication	Production Processes
Physical Science I	Principles of Psychology
	Computer Systems

Class and laboratory sessions of both programs, operating Monday through Friday, require from 21-23 contact hours per week. A student is expected to devote approximate[illegible] two hours of preparation for each hour of class.

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Work Experience

Work experience constitutes an integral part of the educational process in this cooperative plan. The assignments in the sponsoring GM unit are actual jobs involving regular work performance and the assumption of related responsibilities, as required of any full-time employe.

The work assignments arranged in the first two years provide a wide variety of experience in various manufacturing and staff departments. As a result, broad acquaintance with people, equipment, materials, procedures, and products prove valuable not only as part of a student's education but as an aid in the selection of the particular field in which he plans his future career.

As the student advances in the third, fourth, and fifth years of the program, he progresses to more specialized and complex assignments in the areas of his chosen field. Insofar as possible, work assignments place the student in specific operations in such a way as to challenge him to demonstrate his capabilities.

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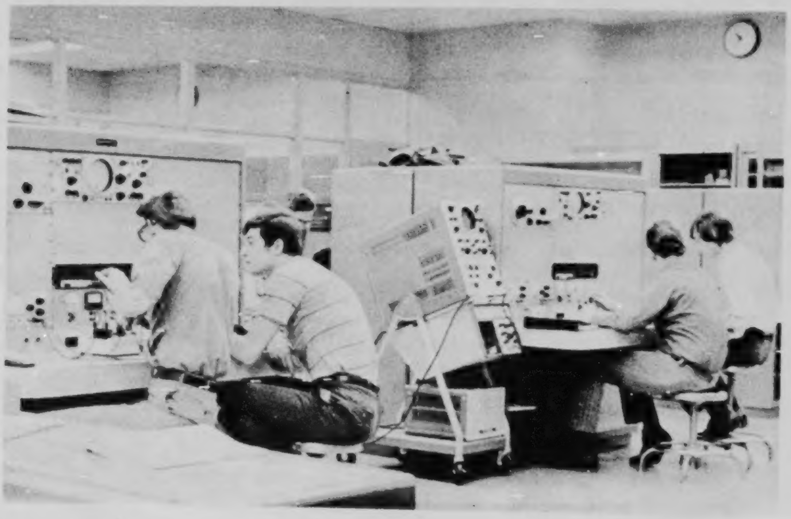
Degrees

Upon completion of the cooperative phase, the student enters the degree phase in which he completes the bachelor's degree requirements. This phase is accomplished through one of two degree plans – the Thesis Plan or the Bachelor-Master Plan.

In the Thesis Plan, the student works on an assigned problem upon which he completes a written thesis during the fifth year. This thesis problem is one of importance to the student's sponsoring GM unit and is of such depth and scope that it contributes to the development of the student. The successful completion of this assignment results in the award of the appropriate bachelor's degree.

In the Bachelor-Master Plan, an honors program for those who meet the eligibility requirements, the student may be granted a GM Fellowship to complete a graduate program requiring a thesis leading to a master's degree at one of forty participating graduate schools. Upon the successful completion of the assignment and thesis at the graduate school, GMI awards the appropriate bachelor's degree.



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Selection of Applicants

Applicants for the Engineering and Industrial Administration Programs are evaluated and selected jointly by GMI and the participating GM units. Because of the objectives of the programs, applicants are considered in terms of their qualifications as prospective employes and students.

In the application of its philosophy of equal opportunity for employment and admission as a student, GMI does not discriminate by reason of an individual's race, color, sex, creed, age, or national origin.

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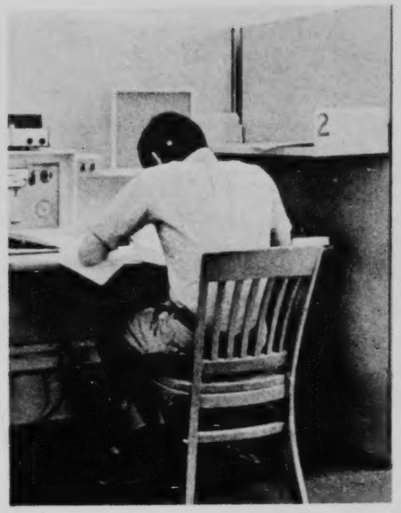
How to Apply for Appointment to the Program



Interested high school seniors and graduates having the required academic subjects listed on page 10 can secure an application blank from either the Admissions Office, General Motors Institute, Flint, Michigan, or the Personnel Department of any General Motors participating unit.

Application for the program should be made soon after the beginning of the senior year in high school and not later than the first month of the last semester. An applicant should complete the required sections of the application form and give it to his high school for the addition of the required academic information and for mailing to the GMI Admissions Office.

Prospective applicants for appointment are encouraged to visit the campus and one or more GM units before making application. These visits provide an opportunity to view facilities, ask questions, become familiar with a GM unit environment, and gain a better understanding of engineering and industrial administration.

GMI Evaluation

The GMI Admissions Committee evaluates an applicant in terms of his desire and intellectual capacity to pursue successfully the educational program. This evaluation considers high school academic records, class standing, test scores, and other available evidences of ability and interest.

High school graduation with a good scholastic standing is essential for success in the program. The majority of those entering come from the top quarter of their classes.

An applicant must submit the following academic units (a unit represents two semesters or one year of study):

Algebra	**2.0 units**
Geometry	**1.0 unit**
Trigonometry	**0.5 unit**
Chemistry*	**1.0 unit**
Physics*	**1.0 unit**
English	**3.0 units**
Plus other courses appropriate to a College Preparatory Program	**15.0 units**

**Both chemistry and physics are required for the Engineering Program; however, only one of the two is required for the Industrial Administration Program.*

In addition, scores on either the Scholastic Aptitude Test (SAT) or the American College Test (ACT) are required. The applicant should take the test at the earliest possible date in his senior year. It must be taken no later than the May test date for the application to be considered for fall appointment.

Canadian applicants must be graduates of grade 13 or its equivalent. In addition to the subjects listed above, the applicant must have had Mathematics A and a test score must be submitted on the Canadian Scholastic Aptitude Test (CSAT).

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Selection and Appointment by a GM Unit

In his application, the applicant indicates, in order of preference, four GM units which he wishes to consider his application for employment and sponsorship in a GMI program.

The application receiving a satisfactory academic decision by the GMI Admissions Committee is referred to the participating GM units for review according to the order of the applicant's preferences. If referral to the applicant's first choice does not result favorably, referrals are then made by the GMI Admissions Office to the succeeding preferred units listed. The applicant is kept informed of the actions taken.

The participating GM units select young men and women they feel have the potential to fit successfully into their organization. Therefore, they consider a number of special factors. These include, in addition to an applicant's academic qualifications: personality, character, health, vocational interests, leadership potential, and desire to work with the GM unit.

An academically qualified applicant selected and employed by a General Motors unit is appointed to GMI under the sponsorship of that unit.

Appointments are usually finalized by May 1 of each year. The dual evaluation and selection by GMI and a GM unit requires an extensive period of time.

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Earnings and Financial Assistance

Students are paid only during their work experience periods by their sponsoring General Motors units at rates established by General Motors Corporation. These rates increase moderately during the five years. During the first two years (four semesters) of the program, students are hourly-rated employes. During the next three years (six semesters), students are salaried employes. An entering student earns approximately $4,500 in his first year before deductions for income tax and Social Security.

Students who can live at home during either the school or work periods should find the earnings adequate to cover expenses, assuming that they exercise good financial management and do not take on additional responsibilities. A student who lives away from home all of the time will probably need annual assistance of approximately $800.

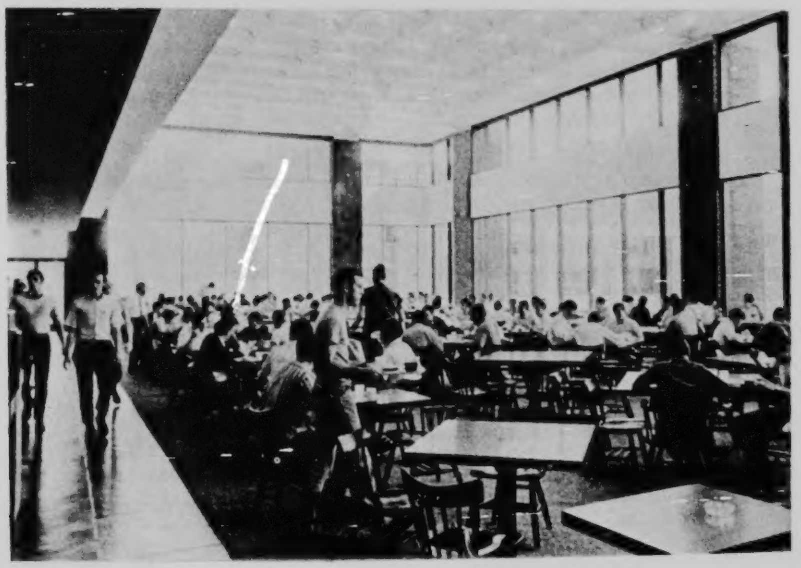
Scholarships granted by many agencies may be used at GMI. For example, scholarships and tuition grants under the Michigan Higher Education Assistance Authority are applicable for students from Michigan. Similar grants by like agencies in many other states are also applicable at GMI.

A limited amount of part-time work is available to students during their academic periods at GMI. The type of jobs available include library work, checking outside problem assignments, and conducting tours for visitors. This work is open to students who need financial assistance, are industrious, and are making satisfactory progress in their academic work.

General Motors Corporation has established the **General Motors Institute Loan Fund** to assist with expenses related to the educational needs of students performing acceptably and facing financial hardship as a consequence of living away from home all the time, the lack of family financial assistance, or of emergency situations. Loans are principally for long-term needs with repayment to begin after completion of the degree requirements. A committee of three GMI administrators reviews all loan applications and makes certain that each case receives full consideration.

GMI participates in the program of federally insured loans administered in most states through a state agency for students who are residents of those states.

The Engineering and Industrial Administration Programs are approved by the Veteran's Administration for educational benefits.



Tuition and Fees

The current tuition is $437.50 per semester. There is a student activity fee of $20 per semester. There are no laboratory fees.

The cost of books and supplies for the first and second semesters of the freshman year is approximately $150 and $65.00, respectively. The annual cost of books and supplies for the succeeding years ranges from $100 to $175.

Freshman Accomodations

All freshmen are required to live in the Residence Hall and eat their lunches and dinners (board for five days per week only) in the Sunset Room of the Campus Center during academic periods. The cost for room and board is $282.60 per semester, plus a Residence Hall fee of $3 per year.

Charges shown for tuition, fees, and accommodations reflect amounts currently in effect and are subject to review and possible change at the beginning of each semester.

Information regarding the specific costs for a given school year is mailed to newly-appointed students well in advance of registration.

The basic expenses for the freshman year while attending GMI are approximately $1,700, plus whatever amount the student requires for incidental personal needs. Students not living at home during the work experience periods at their sponsoring GM units will require an additional $840 to $900 for living expenses.

An entering student should plan to have approximately $850 to meet the charges on registration day and the costs of room, board, and incidental expenses for the first school period.

Upperclassmen Accomodations

Sophomore, junior, and senior students live in private homes and apartments off campus or in the fraternities. The food service facilities in the Campus Center offer a wide variety of well-prepared and well-balanced meals available to all students. The costs vary according to the diets, needs, and tastes of the individual student. Adequate room and board can be obtained for approximately $30 to $40 per week.

The Housing Office at GMI assists students in locating suitable living quarters in Flint. Students living away from home during their work experience periods receive assistance on housing arrangements from the Personnel Departments of their sponsoring GM units.

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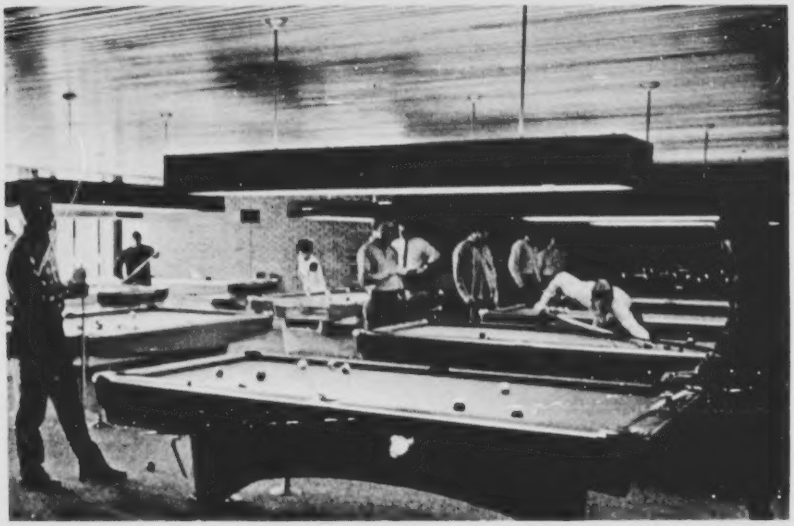
Fraternities, Independents

There are eleven chapters of national social fraternities, one of a national professional fraternity, and one local fraternity at GMI. The twelve chapters of the national fraternities own and provide living accommodations. All chapters contribute to the social life and personal development of their members. Invitations to membership are issued directly by each fraternity.

Fraternities represented on the campus are

- **Alpha Tau Omega**
- **Beta Theta Pi**
- **Delta Tau Delta**
- **Lambda Chi Alpha**
- **Phi Delta Theta**
- **Phi Gamma Delta**
- **Pi Kappa Alpha**
- **Sigma Alpha Epsilon**
- **Sigma Chi**
- **Sigma Nu**
- **Theta Xi**
- **Theta Tau (professional)**
- **Phi Eta Psi (local)**

Students who do not wish to join a social fraternity may join The Independent Association. Its activities also provide fellowship and personal development of its membership.



Student Activities

All students may take advantage of a wide-range program of extra-curricular activities. The GMI student organization, GMTE, offers varied activities to meet the interests of students and to contribute to the physical, social, and spiritual values vital in the life and overall development of a college student. These activities are planned and operated by student officers and financed by the student activity fee. Participation of all members of the student body is encouraged.

Athletics

The students participate in a broad and intensive program of athletic activities. Although the cooperative plan does not lend itself to intercollegiate sports, there are extensive opportunities for both individual recreation and group activity including tournaments and team meets. All equipment for athletics, including clothing, is available to students without charge in the GMTE athletic area.

The major sports are basketball, softball, and volleyball with fraternities, independents, and other groups regularly entering teams in the tournaments. Any group of students can form a team and enter.

Other popular sports include tennis, table tennis, golf, badminton, horseshoes, track and field, archery, bowling, swimming, and skiing. Students participate in these sports on an informal recreational basis or as members of a team.

The recreation facilities in the Campus Center afford many opportunities for student activities individually and in groups.

Publications

Students with an interest in publication find opportunities in which to apply their talents. The student publications include the **Technician**, the student newspaper; the **Preview**, the student government handbook; the **Quest**, a literary magazine; and the **Reflector**, the year-book which for a number of years has won top ratings from the Nations Yearbook Association.

Clubs

Many clubs offer students an opportunity to participate in social and recreational activities and to learn hobbies and skills. Regular training programs are conducted for those students who express an interest. Many of these activities develop interests and skills for use and enjoyment in later life.

The club activities and training programs cover such areas as water and snow skiing, scuba diving, sailing, amateur radio, bridge, social dancing, bowling, golf, chess, band, aviation, public speaking, and investments.

Professional Societies

Seven professional society groups give students a special opportunity to begin associations with leaders and developments important to their future careers through speakers, discussion meetings, publications, and plant visits.

American Foundrymen's Society
American Welding Society
Institute of Electrical, Electronic Engineers
Michigan Society of Professional Engineers
Society of Automotive Engineers
Society of Manufacturing Engineers
Society of Plastics Engineers

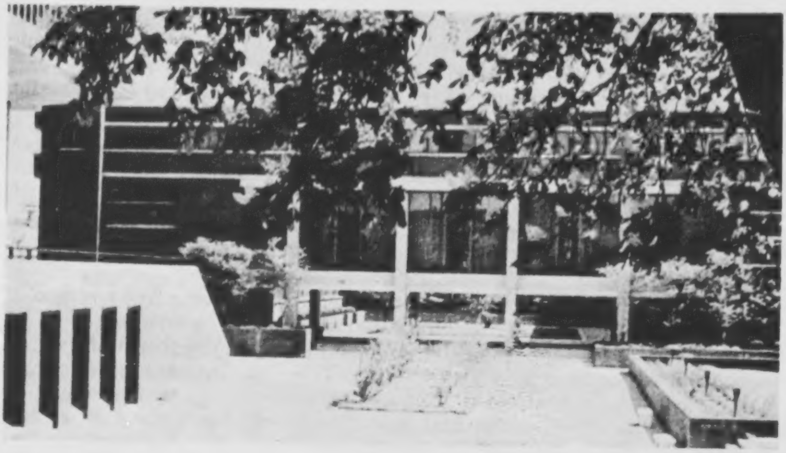
Honor Societies

Four honor societies afford recognition for outstanding students: Tau Beta Pi, national engineering honor society; Sigma Alpha Chi for scholarship in the Industrial Administration Program; the Robot Society for leadership in student affairs; and Alpha Phi Gamma, national honorary journalism fraternity for journalistic activities. Students who earn membership in both Tau Beta Pi and the Robot Society become recipients of the Albert Sobey Memorial Award in memory of the founder and first president of GMI.

A special group is the Management Honor Society made up of appointed representatives from the various sponsoring units. It provides an opportunity for these students to have contact with some of the broader aspects of industrial and community life through dinner meetings with GM executives as speakers.

Social Activities

In addition to the parties, picnics, and general outings inherent in the activities of the special clubs, fraternities, and societies, the Social Council of the student government, GMTE, sponsors a series of programs for the entire student body. Major among these are presentations of entertainers, movies, dances, and concerts for the enjoyment of students and their guests.



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Mr. O'Hara. In accordance with my earlier announcement, we would like to ask Dr. Barich to testify. Then we have some questions for the three witnesses.

Dr. Barich, president of the Detroit Institute of Technology.

STATEMENT OF DR. DEWEY F. BARICH, PRESIDENT, DETROIT INSTITUTE OF TECHNOLOGY

Dr. Barich. Mr. Chairman, I wish first to express my great appreciation for the opportunity to address this outstanding House committee on the subject of revision and expansion of the cooperative education program, part IV–D of the Higher Education Act of 1968 and 1972.

In Congress, both Republicans and Democrats have joined in the bipartisan introduction and enactment of this legislation supporting cooperative education.

Cooperative education is a response to the realization that industry and education need to work together on the pressing problems of education.

This year the U.S. Government is expending $10,750,000 to encourage the further development of cooperative education. The significance of this program nationally and the evidence of its usefulness to students, employers, and educational institutions justify a very large expansion of this Federal program.

Let me state the problem facing higher education in the broadest possible terms. I'll begin by quoting the great modern philosopher, Alfred North Whitehead, who said that the problem of adapting education "to the needs of a democratic community is very far from being solved."

In his book, "The Aims of Education," Whitehead describes the problem of successful education in these words:

> For successful education there must always be a certain freshness in the knowledge dealt with. It must either be new in itself or it must be invested with some novelty of application to the new world of new times. Knowledge does not keep any better than fish. You may be dealing with knowledge of the old species, with some old truth; but somehow or other it must come to the students, as it were, just drawn out of the sea and with the freshness of its immediate importance.

This is what a well-administered program of cooperative education at Detroit Institute of Technology is doing for our students.

Educational leaders are taking a fresh look at the problem of higher education at hundreds of institutions. They realize that part of the calamity of modern times is that the pace of change in the world is so rapid that there is less and less likelihood that educators alone, separate from the world of work, can provide the needed relevant experience for students. Leading educators are now recommending the inclusion of educationally related work experience in the higher education programs for students.

This is an important and vitally needed change in higher education. It should be emphasized that this educational change does not and will not occur automatically.

There is an old saying about change in education: "It's more difficult to change a curriculum in a college than it is to move a cemetery."

Cooperative education in an innovation that cuts against the grain of the traditional elitist concept of higher education. It encounters faculty resistance in many institutions. It is only after faculty members see cooperative education operating that they reach a different judgment about it and can realize that the students in cooperative education are involved in an educational plan which integrates classroom experience and practical work experience in industrial, business, government or service-type work situations in the community. The work experience constitutes a regular and essential element in the educative process, this is very important, and some minimum amount of work experience and minimum standards of successful performance on the job are included in the requirements of the institution for a degree. The institution takes the responsibility of finding educationally related jobs for the students. It is called cooperative education because it is dependent upon the cooperation of employers and educators in combining to form a total educational program for the students.

My recent experience is that the faculty members are more willing to recognize the usefulness of cooperative education and admit that educational research studies have revealed that work experiences motivate the students to do better in their academic studies.

Dr. Samuel Gould, the former Chancellor of the State University of New York, stated the basic truth of this matter with pertinence and clarity when he observed, and I quote:

> We are not a society of drones or parasites or even pure aesthetes. Most of us must work in order to live, and we need to have a healthy regard for the characteristics of work. We need to be aware not only of its boredom but of its exhilaration. We need to see it in the perspective of a highly industrialized society deeply involved in the production and distribution of goods. In such a perspective, it is a valid part of everyone's education since it is inescapable. If we must perforce devote a considerable portion of our mortal time and our physical and mental energies to it, then work is deserving of our careful analysis and consideration. Linked to the total on-going educational process and made a part of such a process, it can and should be a positive force in human and educative development.

And then he goes on:

> It is when one considers the philosophical roots of the cooperative system of education that the whole process takes on deeper significance. It is an added dimension to learning tied closely to life itself and therefore maturing and enriching. And the importance of making it part of the educational process is that there is less danger of its real significance being lost to the student. The very pattern itself reduces spoon-feeding and coddling to a minimum, and encourages the self-reliance and responsible qualities of the student . . .

Dr. Gould made this statement in 1960 after he had spent 2 years looking at research measurements on the performance of 5,300 students in cooperative education programs in all phases of their lives and careers.

I would like to now quote very briefly from some remarks by the famous, world-renowned behavioral scientist, Dr. Ralph Tyler:

> Cooperative education gives a student an education qualitatively superior in some respects to a conventional college education. Cooperative education students, through their educationally related job experience, become more mature; and their records in graduate school and in employment show that cooperative education is a first-rate college education.

That has real significance, coming from a man of his academic recognition.

It was research evidence of this kind that led me to decide to make cooperative education a part of the program at the Detroit Institute of Technology.

With the assistance of supporting grants from the Office of Education, the cooperative education program at DIT has grown substantially during the past 2 years, including a five-fold increase in student participation and four-fold increase in employer participation. With the aid of a Federal grant in the amount of $30,000 for the fiscal year ending June 30, 1974, a professional staff was employed that enabled a total of 157 students to hold cooperative education employment during this fiscal year.

My institution is located in the midst of the most difficult part of the Detroit urban area—downtown Detroit, which some say is deteriorating—and is working to meet the needs of educationally and financially disadvantaged students.

Here is something I want to emphasize: Student earnings at the Detroit Institute of Technology from cooperative education employment will total more than $700,000 during this fiscal year. These students pay Federal income taxes of at least a 10-percent rate, and Federal income tax revenues will total more than $70,000 this year from these students.

This is a good example of how Congress is more than getting its investment back for each dollar you appropriate for funding cooperative education programs.

I wish now to discuss policies that would further strengthen the development of cooperative education in the next several years.

The Office of Education has successfully administered the cooperative education program legislation so that an enormous impetus has been given to developing new programs of cooperative education at a large number of colleges, universities, and community colleges during the past several years.

Ten years ago there were no black colleges offering cooperative education programs. Now there are more than 50. Three-fourths of the black institutions of higher education have been currently applying to the U.S. Office of Education for grants to establish and expand programs of cooperative education.

Ten years ago there was only one community college offering its students the opportunity of a cooperative education program. As a consequence of Congress establishing a national public policy to favor and assist the expansion of cooperative education, there are now several hundred community and junior colleges that have started cooperative education programs.

Ten years ago there were 19 State institutions of higher education that had cooperative education programs, almost entirely in the fields of engineering and science. Now there are more than 200.

These additional institutions of higher education have received grants from the U.S. Office of Education that encouraged them and enabled them to undertake to establish cooperative education. In the fall of 1973, there were 640 institutions of higher education that required OE support for co-oping programs.

It would seem likely that with continuing adequate Federal support for this educational program, that within 5 years there will be at least 1,000 institutions of higher education offering cooperative education programs serving over 500,000 students.

There are several amendments to the cooperative education program legislation that I should like to suggest:

First, the cooperative education program part IV-D ought to be amended to extend the present 3-year limitation on Federal support given to an institution of higher education to 5 years.

The basic testimony in the congressional hearings of 1964-68 that established the existing legislation includes a number of statements by educators that an institution needs a 1-year planning grant to inaugurate a cooperative education program, and then 4 years of Federal support to provide the span of time for this "seed money" to create a solid, self-supporting and significant cooperative education program.

Experience thus far has confirmed the validity of this testimony. Educational administrators and faculty do begin to recommend budget support for the co-op program after they have had time and opportunity to become acquainted with the advantages of cooperative education for their students and their institution.

Second, the authorization for funding in the forthcoming cooperative education program legislation should be very substantially increased. Considerations in support of this are:

(1) The expansion from a 3- to a 5-year period of support will increase the number of institutions applying for grants.

(2) There were over 640 institutions of higher education applying in 1973 for grant support, and there was only $10,750,000 available.

(3) The vocational cooperative education program—a part of the Vocational Education Act of 1972—support for the expansion of cooperative education in community colleges is not to be continued (as is now proposed by the administration). An increase in funding of part IV-D will be necessary to replace a substantial portion of the current $19.5 million now available for community colleges to develop cooperative education programs under the vocational cooperative education program.

Let me skip over here to the next point.

Third, I suggest that part IV-D, section 452(b) be amended to set a limit of $100,000 on the grant made to one institution in a fiscal year rather than the existing $75,000 limit. There are some grant applications from institutions with large student enrollments where a $100,000 grant is well merited because of the large dollar amount of student-earned income that would be created.

The calculations underlying the legislation's limit of $75,000 were made almost 10 years ago and inflation has enormously weakened the adequacy of this level of support.

It was my privilege to be chairman of the Employers Institute on Cooperative Education on May 2, of this year, in Detroit. The keynote speaker was a distinguished businessman, Mr. Edward Cole, president of General Motors. He recommended a five-fold increase in congressional funding of cooperative education.

This is a prudent recommendation. I agree with it. Every dollar that Congress would spend at this level on this program would come back in Federal income taxes paid by the students. Higher education needs this expanded program of cooperative education. The college students and the American society and business employers need this expanded program.

As you are all aware, the Federal Government in creating major educational programs, such as the Northwest Ordinance of 1787, the Lincoln administration support of the land grant institutions, the GI bill of rights, vitally improved the well-being and the wealth of the Nation.

The opportunity that coperative education presents to all of us now is the establishment of a social arrangement that will enable our youth to successfully confront the complexity, the labyrinth that is American society, with its more than 29,000 different occupations, that presents to our young people many dilemmas in making career choices about what to do with their lives.

The freedom to make these career choices is equally hindered by economic disadvantage and lack of experience in the work world. In effect, in the social arrangement that is cooperative education, the coordinator serves as a friend at court, an ambassador without portfolio, assigned to the world of work to serve the student's interest.

The social arrangement that exists in cooperative education increases the productivity of the economy and reduces the alienation of the young. It has novelty and realism. Well conducted, it is the education for the new world of new times. And it further has the unique distinction of being the only federally-supported program for education that does and will return more money to the United States Treasury than Congress invests in it.

May I emphasize in conclusion that experience has shown that Federal programs directed at improving education are successful when substantial resources are made available in adequate grants over a considerable period of time.

There must also be careful provision for an on-going—and I want to emphasize this—quality-of-performance review that leads to ending grants to those institutions that do not make satisfactory use of the money by building an excellent program that does serve a considerable number of students.

It is a mistake to believe that important changes in curriculum content and calendar arrangements can be accomplished in higher education institutions in only 3 years. The adequate development of cooperative education requires at least 5 years of OE support.

Thank you.

Mr. O'HARA. Thank you very much Dr. Barich.

[Dr. Barich's prepared statement follows:]

STATEMENT BY DR. DEWEY F. BARICH, PRESIDENT, THE DETROIT INSTITUTE OF TECHNOLOGY

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Dr. Gould made this statement in 1960 after he had spent two years looking at research measurements on the performance of 5,300 students in cooperative education programs in all phases of their lives and careers.

There are other conclusions reached by the Study Committee on Cooperative Education 15 years ago that are better appreciated now. For example, Dr. Ralph Tyler reported then that the Research Study on Cooperative Education found:

". . . for most married women, the work experience in cooperative education is greatly valued because through it they develop initial skills in an occupational area, and have greater confidence that they can return to productive employment after their children no longer need a great deal of their attention."

Dr. Tyler concluded that:

"Cooperative education gives a student an education qualitatively superior in some respects to a conventional college education. Cooperative education students, through their educationally related job experience, become more mature; and their records in graduate school and in employment show that cooperative education is a first-rate college education."

It was research evidence of this kind that led me to decide to make cooperative education a part of the program at The Detroit Institute of Technology.

With the assistance of supporting grants from the Office of Education, the cooperative education program at D.I.T. has grown substantially during the past two years, including a five-fold increase in student participation and four-fold increase in student participation and four-fold increase in employer participation. With the aid of a Federal grant in the amount of $30,000 for the fiscal year ending on June 30, 1974, a professional staff was employed that enabled a total of 157 students to hold cooperative education employment during this fiscal year.

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SUGGESTED PRIORITY EMPHASIS IN THE ADMINISTRATION OF THE COOPERATIVE EDUCATION PROGRAM AND RECOMMENDATIONS FOR AMENDING THE COOPERATIVE EDUCATION LEGISLATION, PART IV–D

I wish now to discuss policies that would further strengthen the development of cooperative education in the next several years.

The Office of Education has successfully administered the Cooperative Education Program legislation so that an enormous impetus has been given to developing new programs of cooperative education at a large number of colleges, universities, and community colleges during the past several years.

Ten years ago there were *no* black colleges offering cooperative education programs. Now there are more than fifty. Three-fourths of the black institutions of higher education have been currently applying to the U.S. Office of Education for grants to establish and expand programs of cooperative education.

Ten years ago there was only *one* community college offering its students the opportunity of a cooperative education program. As a consequence of Congress' establishing a national public policy to favor and assist the expansoin of cooperative education, there are now several hundred community and junior colleges that have started cooperative education programs.

Ten years ago there were 19 state institutions of higher education that had cooperative education programs, almost entirely in the fields of engineering and science. Now there are more than two-hundred. These additional institutions of higher education have received grants from the U.S. Office of Education that encouraged them and enabled them to undertake to establish cooperative education. In the Fall of 1973, there were 640 institutions of higher education that requested OE support for co-oping programs.

It would seem likely that with continuing adequate Federal support for this educational program, that within five years there will be at least 1,000 institutions of higher education offering cooperative education programs serving over 500,000 students.

It is self-evident that the next stage in the development of cooperative education requires a Federal administration policy emphasizing the development of strong and excellent programs of cooperative education in the many institutions that recently adopted this education innovation. To accomplish this successfully, the proposed decentralization of the administration of cooperative education grants by the U.S. Office of Education should be postponed. It would be unwise to not make further use of the experienced administration of cooperative education programs that now exists because of five years of responsibility for this program; particularly because the next phase of the development of cooperative education requires support of efforts to strengthen excellence and quality, experienced administrative leadership is necessary more than ever. At present the funding for cooperative education is not large enough to make possible and useful a *pro rata* distribution of funds to the ten OE regions; the regions do not have the experienced people to insure a prudent, effective, and successful administration of the cooperative education program. Further, the existing priorities are excellent and they call for support of the establishment of cooperative education programs as presently administered. A *pro rata* distribution of available cooperative education funding would cripple the further growth of this useful program in the Southeast among the many Black institutions in that area.

It is suggested that OE begin to withdraw grant support from those institutions of higher education that have not developed programs serving at least 40 students; or, if this is not feasible and desirable, require such institutions to avail themselves of cooperative education expert administrative experience to build a program serving 40 or more students. (Note: Forty students can be expected to earn $100,000 in job income from cooperative education work assignments during a year. This total of student-earned income can justify continued OE support for the necessary staff back-up of one coordinator.)

There is need for OE support of a program to inform employers about the increasing numbers of available cooperative education students. This new development in higher education is of interest to employers because there are substantial cost/benefit advantages to employers making use of this approach to personnel recruitment. Further, experience has shown that cooperative education is a practical means of including minorities to a greater extent in meeting manpower requirements and also in training them for higher-level jobs. It is a means whereby educators and industrialists can work together to bring education up to date.

The rapid expansion of cooperative education has created a very large demand for coordinators to staff the new programs. It is apparent that many of those taking these positions are without the background and training to administer a cooperative education program. Attention should be given to the development of an OE program to support the creation of more effective and sophisticated "workshop" training programs for coordinators. No investigations or research have been conducted in this area and it is badly needed. There is a requirement for a growing professionalization of coordinators which can only be achieved through an intensive effort to train adequately those entering the field. A task force in the Office of Education, that includes outside experts, should be created to investigate and identify the needed professional development in the training of coordinators and the possible usefulness of OE supporting a national Training Institute for Coordinators or two or three regional Institutes for Coordinators.

It is evident that in a number of the programs of cooperative education now being established in institutions of higher education, the coordinators are spending considerable time and effort conducting an information program directed at educating high school counselors and students about cooperative education. It seems to be very much within the scope of the cooperative education legislation authority to fund an information program directed to high school counselors, telling them about the opportunities for students that have been created by the Federal programs supporting cooperative education expansion. Such a program to get the attention of high school counselors need not be expensive, but it would be most helpful for many coordinators in the field.

There are several amendments to the Cooperative Education Program legislation that I should like to suggest:

First, the Cooperative Education Program Part IV–D ought to be amended to extend the present three-year limitation on Federal support given to an institution of higher education to five years. The basic testimony in the Congressional hearings of 1967–68 that established the existing legislation includes a number of statements by educators that an institution needs a one-year planning grant to inaugurate a cooperative education program, and then four years of Federal support to provide the span of time for this "seed money" to create a solid self-supporting and significant cooperative education program. Experience thus far has confirmed the validity of this testimony. Educational administrators and faculty do begin to recommend budget support for the co-op program after they have had time and opportunity to become acquainted with the advantages of cooperative education for their students and their institution.

For some state institutions operating on a biennium budget, the three-year period does not provide sufficient time to adopt the policy of gradually approving increasing funding for cooperative education in time to bridge the gap between the end of Federal support and the beginning of state support.

Additionally, the three-year limitation has had the unfortunate effect of creating job instability in regard to coordinator positions, with an adverse effect on the attractiveness of these positions to individuals with outstanding qualities and backgrounds of relevant experience for coordinator posts.

Second, the authorization for funding in the forthcoming Cooperative Education Program legislation should be very substantially increased.

There are a number of considerations that can be adduced in support of this recommendation:

(1) The expansion from a 3- to a 5-year period of support will increase the number of institutions applying for grants.

(2) There were over 640 institutions of higher education applying in 1973 for grant support; there was only $10,750,000 available.

(3) The Vocational Cooperative Education Program—a part of the Vocational Education Act of 1972—support for the expansion of cooperative education in community colleges is not to be continued (as is now proposed by the Administration). An increase in funding of Part IV–D will be necessary to replace a substantial portion of the current $19,500,000 now available for community colleges to develop cooperative education programs under the Vocational Cooperative Education Program.

(4) The present funding of $750,000 for grants for "training of persons in the planning establishment, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education" is inadequate for enabling 1,000 institutions of higher education to develop excellent programs of cooperative education for 500,000 students in the next several years. The training of coordinators, the requisite research to measure and improve cooperative education programs in their operation and administration, and the information programs necessary to reach high school counselors, students, parents and employers requires increased funding.

Third, I suggest that Part IV–D, Sec. 452. (b) be amended to set a limit of $100,000 on the grant made to one institution in a fiscal year rather than the existing $75,000 limit. There are some grant applications from institutions with large student enrollments where a $100,000 grant is well merited because of the large dollar amount of student-earned income that would be created. The calculations underlying the legislation's limit of $75,000 were made almost ten years ago, and inflation has enormously weakened the adequacy of this level of support.

It was my privilege to be Chairman of the Employers Institute on Cooperative Education on Thursday, May 2nd of this month, in Detroit. The keynote speaker was a distinguished businessman, Mr. Edward Cole, President of General Motors. He recommended a five-fold increase in Congressional funding of cooperative education. This is a prudent recommendation. I agree with it. Every dollar that Congress would spend at this level on this program would come back in Federal income taxes paid by the students. Higher education needs this expanded program of cooperative education. The college students, and American society, and business employers need this expanded program.

As you are all aware, the Federal Government is creating major educational programs, such as the Northwest Ordinance of 1787, the Lincoln Administration support of the Land Grant Institutions, the G.I. Bill of Rights, vitally improved the well-being and the wealth of the nation.

The opportunity that cooperative education presents to all of us now is the establishment of a social arrangement that will enable our youth to successfully confront the complexity—the labyrinth that is American society with its more than 29,000 different occupations—that presents to our young people many dilemmas in making career choices about what to do with their lives.

The freedom to make these career choices is equally hindered by economic disadvantage and lack of experience in the work world. In effect, in the social arrangement that is cooperative education, the coordinator serves as a friend at court—an ambassador without portfolio—assigned to the world of work to serve the student's interest. The social arrangement that exists in cooperative education increases the productivity of the economy and reduces the alienation of the young. It has novelty and realism. Well conducted, it is the education for the new world of new times. And it further has the unique distinction of being the only federally-supported program for education that does and will return more money to the U.S. Treasury than Congress invests in it.

May I emphasize in conclusion that experience has shown that Federal programs directed at improving education are successful when substantial resources are made available in adequate grants over a considerable period of time. There must also be careful provision for an on-going quality-of-performance review that leads to ending grants to those institutions that do not make satisfactory use of the money, by building an excellent program that does serve a considerable number of students. It is a mistake to believe that important changes in curriculum content and calendar arrangements can be accomplished in higher education institutions in only threee years. The adequate development of cooperative education requires at least five years of OE support.

Thank you.

Mr. O'Hara. Mr. Cole, I think we are in pretty thorough agreement in this subcommittee as to the propositions set forth by yourself and Dr. Barich with respect to the value of cooperative education. I think you have some converts here.

We have been concerned about expanding cooperative education, particularly expanding employer interest in cooperative education, and there have been some suggestions made during these hearings in the past several days that perhaps we ought to give a tax break or perhaps we ought to subsidize the co-op student by making work subsidy available to employers of co-op students.

On the other hand, there has been some opposition to those ideas on the basis that co-op is a strong program that ought to stand on its own feet, that the employer gets a benefit from co-op, as General Motors does, and above all we should do away with the danger of encouraging phony co-op and debasing the co-op idea.

I would appreciate it if you would share your thoughts with the committee as to some of these ideas on subsidy and tax breaks to promote co-op.

Mr. Cole. Phony co-op is a very difficult thing to attack because every college and business has different problems. One of the things which is a great mistake is, to subsidize a student or business to take on a co-op student, when you don't have an opportunity available for him after he has completed his course. Then you have a disillusioned co-op student and he wonders why he entered this type course.

There are many, many private schools in jeopardy of going out of business because of their customs and because the traditional educational system will not continue to support the schools, nor will private money. I have had a feeling, in those areas with which I am familiar, that the Government should encourage these schools to move over to a different kind of educational system. This is going to cost money and it is doubtful they could raise it.

I don't subscribe to tax breaks. I think if it is properly managed or promoted, some of the money can come from Congress in assisting the colleges in transferring over to this type of program. I believe if this is done, and I suggest, as Dr. Barich indicated, this is a good investment on the part of the Government. Moreover, if we don't do it pretty quick we are going to lose the advantage of many, many capable staffs and institutions. There is a real need for it.

Cooperative education increases the productivity of a student so he comes back and is able to earn higher wages sooner and contribute to society in general. This, in turn, could be a payback to the Government overall because he becomes less a burden on society and makes a contribution to society.

Mr. O'HARA. I appreciate that suggestion. You have gone from one of my pet programs, co-op education, into another of the ideas I have been trying to develop, which is, How can we in the Congress be of help to private institutions in great financial difficulty which have resources and traditions we wish to maintain?

Some have suggested, raise the tuition at public institutions, at the expense of the kids who can barely afford to attend the public institutions today. I have come out in strong opposition to that idea.

But I am interested in finding ways to assist private institutions which are not appealing to students, to shift over to other educational programs which would be more attractive.

Co-op is one of those instances where we can combine our desire to see more co-op as well as assisting some of those institutions in difficulty.

Mr. COLE. One of the large problems in State-supported institutions, they are so large that you can't find support from businesses without a lot of travel time, housing and things of this type.

I think this, too, that the smaller schools would cover a greater segment of the economy because they would be dispersed throughout the area and probably could assist businesses to a greater extent.

Further, and I want to make this point again, I would like to suggest that Congress provide some support for providing cooperative students in government. This is an area, it seems to me, where cooperative education should be utilized. Here is the biggest employer in the world and, in many cases, without any opportunity to take on and support this type of education.

Another thing, and I have talked to you and others about it, I would like to find some way of establishing a different name for co-op education. The present name sounds too much like the Farm Bureau, and that is not too attractive to many young people.

Co-op education, if you want to put it that way, offers a great deal more than a student ever can get from the 3- or 5-year university.

Mr. O'HARA. I see the time is going on and I am not going to monopolize the questioning. I have trouble with these Republicans. They run relays on me. They start in with Mr. Dellenback, then as soon as he has to leave for another meeting, in comes Mr. Esch.

Mr. ESCH. The majority party in Congress scheduled about four hearings at the same time, so we are geared up. We ought to run an efficiency study, perhaps.

Mr. Chairman, I want to share with you the welcoming of our distinguished guests from Michigan. The country is well aware of Dr. Cole's contribution in this area, and in years to come they will become aware of Dr. Barich's contribution.

I want to compliment both of you on your testimony, and I thought, Dr. Barich, you especially had some keen insight into the philosophy of those programs which I thought was most interesting.

I have a personal bias toward General Motors Institute because I almost went to teach there 12 years ago. We won't comment on that.

Mr. O'HARA. Perhaps you should have.

Mr. ESCH. It was about 20 years ago.

I know you have a program, Mr. Cole, of utilizing students, college students, especially in the summer; in summer programs, would it be possible to expand the concept of work-study with students in your corporation if you had some predictability?

Mr. Cole. We take advantage of summer students to take care of our vacational needs. We like to supplement with an additional person. We are quite careful in selecting those summer students so we can look at them and they can look at us.

At General Motors a co-op student is required to learn while he is in his work session. He is required to write a report on some significant aspect of the business. In some instances these reports become almost a doctoral thesis. The institution checks on the rhetoric and the instructor, who is usually the supervisor of the student, checks on the accuracy of the content.

It is a terrific experience of letting this individual express his feelings in writing. Unless you can put a good idea on paper for the record, it is frequently worthless.

This is one thing injected into the cooperative program that I don't think other institutions have.

Mr. Esch. Could corporations utilize co-op students or work a co-op program in a cooperative education manner with institutions near their plants?

Mr. Cole. We do that now.

Mr. Esch. Why do you think more industries have not availed themselves of this opportunity?

Mr. Cole. I don't think the advantage of cooperative education is really concealed, but it may not be apparent to all. For example, one of the things which has happened to us, is that we have graduated 12,000 and retained 7,000 in the business. But you will find that the others are usually wtih our competitors at a much higher wage. The skill is in demand at a much higher fee when they graduate from General Motors. We are not adverse to that.

Mr. Esch. You mean there is no anti-trust consortium in the field of co-op education?

Mr. Cole. No; to address your question accurately, there is a lack of understanding on the part of many, many businesses as to the benefits. This is where the Government could enter into this thing to in some way assist the colleges in promoting that idea.

Mr. Esch. Mr. Barich.

Mr. Barich. I made reference in my remarks to the first Employers Institute in Detroit which was hosted by D.I.T. I feel this was a very significant move, acquainting employers with the program. We had over 400 people in attendance, and the vast majority were employers learning about that.

General Motors in its wisdom has seen the worth of this but many corporations haven't.

We as an institution are involved with the University of Pittsburgh to help identify the cost/effectiveness, if you will, of this type activity.

Mr. Esch. I am impressed with the concept of stability and predictability.

Science and astronautics is another field where there is a failure of the professional engineering groups and scientific associations to take a stand on co-op education. I am wondering why we couldn't as a policy try to engage and involve the engineering associations more effectively and accurately in this role. Perhaps it is because of the dichtomy which exists in such things as the Manpower program, et cetera. Perhaps it is within the purview of this committee to bring together the diverse interests.

Mr. COLE. I happen to be a member of the National Academy of Engineering and am on the board of the National Academy of Science. Yesterday I was engaged in this type discussion on how we can be more effective in keeping the scientists and people dealing with higher technology up to speed. It gets back to the reeducation aspect. In our business we need to reeducate the average college graduate at least three times during his business lifetime. This is another area in which the cooperative effort is working. In this respect, I would like to make reference to a program I happen to sponsor, the Michigan State advanced management program.

We take students out of business and they get their M.B.A. degree on a cooperative part-time basis. They still retain their job with all the assets of a full-time paid employee, at the same time securing this advanced business education.

What we are discussing is applying this also to the technical or engineering area. New technologies are coming in both from business and engineering, where you need to apply this reeducational capability.

Mr. ESCH. I think that is a component that we might want to reexamine.

Mr. O'HARA. Mr. Esch, you know our reach is practically unlimited.

Mr. ESCH. I think many of us would support and I think the House would support a major move toward an additional authorization, and I would stand ready and willing to cooperate with you, Mr. Chairman, in any move such as this.

Mr. O'HARA. Mr. Lehman, you and Mr. Cole have been associated in business.

Mr. LEHMAN. On a little different echelon. I have always been happy to be a General Motors dealer and my son, as you know, now has the agency. I have always admired General Motors for their responsiveness.

In listening to you, I note you speak in terms of minority opportunity.

I have never noticed where you plug in the talent of women into the training programs at General Motors. Do you sterotype them or are you trying to get them into the levels at General Motors and Detroit Institute beyond the ordinary, customary fields women have worked in?

Mr. COLE. I would like to have Dr. Rodes address himself to that. I was chairman of the Board of Regents for several years when we became aware of this thing that you are speaking about.

You might tell a little about this.

Mr. LEHMAN. I have been to your district office and regional office, and even in my own busines we can't get any women out there selling cars, and I don't see them in any level above. I think you have a great field of opportunity there.

Mr. COLE. You should go to Taipei and Taiwan. Most of the salespeople are women.

Mr. RODES. General Motors has been actively recruiting minorities and women in industrial engineering and administration, which were fields they were not interested in or in which they felt their efforts might be limited. So our major interest has been in their undertaking engineering or industrial business and, having completed this, there will be opportunities for employment at General Motors for them.

Out of the student body at G.M.I. 3 years ago, we had 15 females; today we have 247.

With regard to minority group students, 3 years ago we had 45; now, over 400.

I think it is a matter of convincing women that they can make it and when they do they will be treated on the same basis as men, and that minority students can also make it, and when they do they will be treated on the same basis as white males.

Mr. LEHMAN. I don't question the minority group, but it seems the women in the country are a neglected group.

Mr. RODES. The girls are coming on strong.

Mr. O'HARA. We are going to have to get over to that caucus. They are having a quorum call. I am sorry we don't have the rest of the morning to spend with you; I know we would find it an educational experience.

The subcommittee will now stand in adjournment until 10 o'clock, Thursday morning.

[Whereupon, at 10:05 a.m. the subcommittee recessed, to reconvene at 10 a.m., Thursday, May 16, 1974.]

STUDENT FINANCIAL ASSISTANCE

(Work Programs)

THURSDAY, MAY 16, 1974

House of Representatives,
Special Subcommittee on Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met at 10:15 a.m., pursuant to recess in room 2261, Rayburn House Office Building, Washington, D.C., Hon. James G. O'Hara (presiding).

Present: Representatives O'Hara, Perkins, and Lehman.

Staff present: Jim Harrison, staff director; Al Franklin, counsel; William F. Gaul, associate general counsel; Elnora Teets, clerk; John Lee, minority research assistant.

Mr. O'Hara. The subcommittee will come to order. The subcommittee has been hearing from witnesses with respect to our current set of hearings dealing with the work component of title IV.

We have been hearing from witnesses who have, without exception, spoken favorably and enthusiastically about the value of student work as both a part of education and a part of student aid.

Our first witness today comes from an institution which carries this principal out to what seems to me about the fullest possible extent. Berea College in Kentucky charges no tuition of its students whatsoever. But it does require that each and every student participate in the institution's work program.

I hope the witness, Mr. William Ramsey, dean of labor of Berea, will forgive me if I anticipate him and quote the well-known statement of principle that guides Berea and which I think could be the motto of this segment of our hearings, "One does not come to Berea College to get away from work, but rather, one comes to learn to work and to live on a higher level."

Mr. Ramsey, it is a commonplace observation around the House of Representatives that Kentucky's greatest contribution to American education has been Carl Perkins. Berea College may be a pretty close runner up for that title.

We would like very much to hear from you.

STATEMENT OF WILLIAM RAMSEY, DEAN OF LABOR, BEREA COLLEGE

Mr. Ramsey. Thank you. We appreciate the opportunity to be here and bring you greetings, Congressman Perkins, from President Wetherford.

I am glad you said what you did, Mr. O'Hara, so I don't have to. Berea is a different kind of school. I have been giving some thought to this since I talked with some of your staff several months ago, and it seems to me Berea's experience may be of some value to the subcommittee because we have been serving the kind of students that this legislation was written for for many years.

You mentioned the no-tuition policy of Berea. The reason for that is that we only serve students who have financial need. You can't get into Berea if you have sufficient funds to go to another comparable institution.

So, the kind of students that we serve are a very high percentage of those for whom the legislation under title IV was written.

I think Berea's history follows some of the same kind of thinking that must have gone on here in the writing of this legislation. The college began in 1855 and started with a work program as part of the original constitution that students would have an opportunity to work.

As this program grew it developed that there were other reasons for having students work than just financial. It became a part of the fabric of the institution of the good socially.

All students worked, not just those who needed to work for financial reasons. Some of the career implications of work became apparent. Some of the value of training. And finally it became an integral part of the total educational program through the appointment of the dean of labor in 1914, so that we have gone through the cycle of financial aid, careers, education, self-development, service, social responsibility, all as parts of this program.

And I think our experience has been that it has been an excellent form of education as well as an exceptional form of financial support. We recently have been given a grant from the Educational Foundation of America to examine our program and to examine the programs of others and try to improve the quality of work opportunity for students.

One of the things we have done under this project I think may be of interest to you is to look at the relationship between academic performance and work performance. There has been some concern on the part of some educators that if you encourage or force a student to work then there is a decline in his academic performance.

Our study shows this is just not the case, that there is no statistically sound relationship between academic performance and labor performance. However, at the lower end of the scale the student who does poorly in one does poorly in the other.

At the upper end of the scale, the student who does exceptionally well in one does exceptionally well in the other. We just gave two awards to students who had used the labor program at Berea the best over a 4-year period as graduating seniors of the present class. Both of these students who had worked the most, had earned the most, had risen to the highest positions in the labor program, were on the dean's list as exceptionally good students.

This is instructive that work does not necessarily interfere with the more traditional educational process.

In thinking of the legislation, one thing I would like to point out is the relationship of work-study and the other forms of aid; the BEOG, the SEOG and the loans.

Our experience is that the BEOG already, even at the level funded, is beginning to reduce the reliance on self-help. We are very excited about the idea of the basic grants. Berea has been trying to serve, single-handedly, at least in our area, the kind of students for which this legislation has provided for many years.

More students now have the opportunities this provides. Somehow, in setting it up, at least in relation to our program, students having access to additional funds tends to make them less reliant on self-help, and this is reflected in our program in the fewer students even eligible for work-study because they come with basic grants in excess of their need, plus the work-study.

I would like to encourage as much flexibility as possible between the various forms of aid, allowing for institutional differences such as we have at Berea, allowing for experimentation and individual judgment.

We charge no tuition, and if we begin to charge tuition in response to these opportunities we probably would begin to lose our special culture that we have for noneconomically advantaged students.

This is perhaps a little hard to understand. It is not just a matter of giving a student from a low-income family a chance to go to college, but the kind of college is important. We try to be a kind of college that serves this particular group, where they are in a majority. They are not a minority. They are not someone who is just able to get there because someone gave them support. They are at home there.

This is the kind of place where they can function without having resources other students have. I would hate to see us lose that by changing our pattern and allow all kinds of students to come.

We are a special kind of institution and I think that is good. We need more special kinds of institutions throughout higher education. As an example of what is happening to us, it is not just the title IV provisions, because of our policy that no student may be admitted if his family contribution exceeds $1,400.

We have had to turn down recently a student whose family is a recipient of black lung benefits. It seems sort of ridiculous and we are looking into it. We don't like it. But, the benefit that this family received for the first time takes them up to a level that they are no longer eligible to send their children to Berea.

We have a similar case where social security has put the student over the limit. These are the families we have been trying to serve and now the environment is changing and we have to take a look at our policies.

I think we need to look at what happens as a result of legislation on the institutions that have these particular kinds of roles to play. I would like to follow up on some of your previous witnesses that indicate that work-study is not just another form of financial aid. It is a multidimensional kind of program.

I think it is very appropriate that this is a committee on education and not simply on financial aid. Work-study has very significant financial aid implications but it also has manpower implications, career implications, training, personal development, social responsibilities, values, and educational benefits involved, so that to treat it simply as one of a package of financial aid devices I think is not adequate.

I would like to suggest the committee look at the three parts of the work-study program it has under title IV; work study, community service work-study which has not been funded, and the co-op education as a whole, and see if these might not be integrated into one comprehensive device to encourage work study in all of its elements so that student support, support for community needs, educational programing support, which is available under the cooperative education part of the act, training and research support.

All of these are provided as part of a total package to encourage the best use of the work study. I would specifically like to see more work-study funds, even if it is at the expense of the basic grant funds.

We would like to see funding of the community service learning section. We would like to see a percentage of work-study funds available to colleges to assure the effective use of the funds both from a manpower perspective; that is, how effectively we use students, and from an educational perspective; how students effectively use their experience.

I think we will get a much higher payoff from the investment of work-study money if we do that. As a matter of fact, our experience is not having enough work-study funds and that if we put some money into staff time, as we have been able to do under our foundation project, that we can take the same work-study money and spread it further. We can get a higher percentage of participation by the using institutions.

We would like to see an extension of the work-study program to business and industry so that the same opportunities for work and learning and financial support that goes with it can be encouraged among the private sector of our economy.

Finally, I would like to encourage that we keep a liberal arts approach to the use of work study, that we not allow ourselves to see work only as education if it is directly related to a specific career pattern or degree pattern.

We like to think of work as a broadening of experience as well as a deepening. We like to think of work as having some general values that are transferable from one kind of profession, from one kind of discipline to another.

These are the values of liberal arts, developing general capabilities of self-confidence, of self-knowledge, the ability to solve problems are learned through experience and are transferred from one area to another.

So we would not like to see legislation restricting the educational part of work to that which was directly related to a particular degree or a particular career. I would like to see it kept very broad.

This is particularly important in a time when we need people who can respond to a variety of job challenges over their career. We no longer have people taking one career for a whole lifetime.

They have to be prepared to change careers and learn new things, so we need people who are sensitized to this. We think that linking learning and doing is the way of the future for both manpower and education.

Thank you.

Mr. O'Hara. Thank you very much, Mr. Ramsey.

Mr. Perkins.

Chairman Perkins. First let me compliment our distinguished chairman of the subcommittee, Mr. O'Hara, for having the hearings. I am glad that Mr. O'Hara is conducting these hearings this year for the purpose of improving our education acts, especially the student assistance programs.

I know from my experience with Chairman O'Hara that he will get us an even better higher education bill in 1974 or 1975 than we had in 1972.

I have always been much impressed with the good work at Berea College for many, many years. In 1947 I visited Berea College. I saw those youngsters out there milking those cows. I know something about the work program that has been inaugurated in the past and the contributions of those youngsters that have graduated.

The thing that has always amazed me is how this great institution has managed to supply an education without charging tuition throughout the years and taking care of the poorest of the poor that wanted a college education but, at the same time the high quality of the education that you were able to give those students is amazing to anyone that makes a study of the good works at Berea College.

This question that Dr. Wetherford has talked to me about in the past involving the basic grant program, I would like to ask if you have cost provision in the basic opportunity grants program that creates a problem at institutions like Berea College where there is a low or no-tuition policy?

Would you comment on this and provide us with any recommendations as to how we might alleviate this problem. I know none of us want to discriminate against a good institution, an outstanding institution.

Would you give us an answer how we might alleviate this problem under the basic grant provision?

Mr. Ramsey. I wish I had a pat answer for you. I don't; I can give you some ideas perhaps. You are right; it does create a problem. This coming year is the first year we are really feeling it.

Our whole policies have been based on the assumption that our students did not have access to resources so we have kept board and room costs to the absolute minimum. We have charged no tuition to the student.

It doesn't mean we haven't had costs. Our costs have gone up like everyone else's has. Now our students have access to another form of aid.

Chairman Perkins. First let me state that Dr. Wetherford made a special trip here to see me. I don't know whether he got to see the chairman of the subcommittee on this occasion or not. It was several months ago, but I did take it up with Dr. Wetherford and I took it up with the chairman of the subcommittee.

This is why I present the question to you.

Mr Ramsey. We charge a little less than $1,000 for board, room and health fees, student activity fees and so forth. If you add to that books and other costs, we estimate it takes a student $1,400 out-of-pocket for a year to attend Berea.

Under the basic grants the student may claim only 50 percent of the cost to the student. The cost to the student is what the institution charges, so that our students would be able to get a maximum under that provision of $700.

The maximum grant this coming year, as I understand it, would be more like $800, so that our students this coming year, although in terms of their financial situation, their family income, they could get $800 to go to any other institution.

To come to Berea they can only get $700 because of the low charges that we have. As the grant goes up to the authorized level of $1,400 you can see what this will do if the student comes to Berea; he can bring with him $700. If he goes to another institution he can take with him up to $1,400. We are not sure what effect this is going to have on admissions but our feeling is it will have a detrimental effect in admissions to our college, and will put us in a position of being forced to consider seriously raising or starting to charge tuition.

If we do that we begin to change the character of the institution. We are looking at that. We are very reluctant to do that automatically. We need the funds. As I say, our costs have gone up along with other institutions.

Our cost per student is about $3,500 for the instructional program. We have a first-class educational program comparable to other institutions of higher cost.

So, we would like to see some provision in the act that the funds, through the student, can be made available to the institution. How this can be done mechanically I am not sure, but if these funds could come to the institution through the student above what the student is actually charged by using it in lieu of tuition or some other device then these funds can be diverted to such things as the work program which we find has been suffering because of the financial support of the BEOG.

If the student comes to us with $700 and $300 family contribution and $400 from the summer he has his $1,400, so he is not eligible for the work-study funds. Yet, we are committed to pay him that under our work program, so we are beginning to suffer because of the influence of these acts, although we are in support of the idea of the acts.

That doesn't give you anything to write into legislation precisely, but that is where we are. We need to find some way to agree on in lieu of tuition on a fixed amount available to the college to serve students without charging them full cost or without charging them tuition.

Chairman **Perkins**. Thank you.

Mr. **O'Hara**. That is a very good point. Let me ask you about another provision to see if you have any trouble with that. Do you receive work-study funds?

Mr. **Ramsey**. Yes.

Mr. **O'Hara**. And are you having any problem at all with the provision of the regulations that says once a student has received his need, whatever that might be, that you can't employ him anymore?

Mr. **Ramsey**. We do have problems like that. We employ him anyway. We just can't use work-study funds, which means those funds have to come from some other source and they are paid to the student really in excess of his need.

Mr. **O'Hara**. I hope nobody is here from the Office of Education, but in my State they are not only saying you can't use work-study funds, they are saying you can't employ them, work-study or nonwork-study. You have got to let the student go once he has filled his need or else you have to go and recover from him.

Mr. **Ramsey**. I would be opposed to that.

Chairman PERKINS. That is something we need to do something about.

Mr. O'HARA. I agree, Mr. Chairman. I guess maybe what you are saying is you think we ought to have a basic work-study opportunity program and then gear the rest of it to that.

In other words, make that the basic unit of the package.

Mr. RAMSEY. We feel that self-help should be the basic unit.

Mr. O'HARA. And then with the rest of it coming in to the extent necessary around that basic unit.

Mr. RAMSEY. That is right.

Mr. O'HARA. That is a very interesting idea, one that we should explore.

Mr. RAMSEY. Thank you very much.

Mr. O'HARA. Mr. Lehman, do you have any questions?

Mr. LEHMAN. No, I will pick up with the next witness.

Mr. O'HARA. I am beginning to run out of ways to introduce our next witness and I suspect and hope that I will have the occasion to introduce him yet again a time or two before we are finished with this set of hearings.

Mr. Allen Purdy, who is Director of State and Federal Relations for the National Association of Student Financial Aid Administrators speaks for the people who are going to have to administer whatever we in the Congress enact.

For that reason I consider his opinion and advice second to none in its importance to us. Mr. Purdy, everyone here knows you and welcomes you.

I understand you are accompanied by Mr. Richard Tombaugh, who, likewise, is an old friend. Please proceed.

STATEMENT OF ALLEN PURDY, DIRECTOR, FINANCIAL AID SERVICES, UNIVERSITY OF MISSOURI, AND DIRECTOR OF STATE AND FEDERAL RELATIONS, NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS, ACCOMPANIED BY RICHARD L. TOMBAUGH, EXECUTIVE SECRETARY, NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

Mr. PURDY. Thank you. It is always a privilege to come back and discuss with you and members of the subcommittee, the things which are vitally important to those of us who are out on the firing line working with students every day.

I might say, you mentioned our having been here in various appearances. Let me say that those of us out in the field appreciate the frequency with which you and some of the other members of your subcommittee come out to meet with us.

I had the opportunity to hear you and Mr. Lehman and others. I think this is one of the finest ways for all of us to understand the real basic problems and come to better ideas as to how we can use the taxpayers' money more wisely and solve them.

I will go over the written testimony. It is not going to take too long. We are leaving out many of the philosophical things that we feel about work-study. They have been expressed well by the representative from Berea. They have been expressed by other witnesses you had here last week.

We want to dwell some on the technicalities, a few improvements in technique and leave plenty of time for questions.

I am Allan W. Purdy, director of financial aid services at the University of Missouri, and National Association of Student Financial Aid Administrators' director of State and Federal relations. I am accompanied by Richard L. Tombaugh, the executive secretary of the association.

We are pleased to discuss the "work component" of title IV of the Higher Education Act of 1965, as amended.

Inasmuch as this hearing is primarily for the purpose of advising the subcommittee of the shortcomings of the present law, our prepared remarks can be relatively brief concerning the "work component."

I believe that one could receive almost unanimous consensus among the financial aid community that the college work-study program is already the best student aid program provided by the Federal Government.

Naturally, there are a few improvements that can be made, but both the concept and the current legislative base are, in our opinion, sound and workable.

The other work element of title IV, the cooperative education program, is not really a student-aid program in the strict sense. In fact, the law precludes the appropriations from being used "for the payment of compensation of students for employment."

However, we will have some general comments about the potential use of the cooperative education component as a source of student assistance. We will address the topic in the order of the current law.

A quote from the association's recent testimony before the House Appropriations Subcommittee can set the tone of our testimony here today:

> There is probably no Federal assistance program which is more effective in a multitude of ways than the work-study program.
>
> It helps the student pay educational costs. It provides worthwhile work experience, frequently in the student's academic field. It assists institutions and nonprofit/public agencies in providing services which they would otherwise be unable to do.
>
> It improves institutional-community relationships. Seldom has a Federal program done so much for so many constituents. CWS is probably the most nearly perfect Federal student aid program in operation today. It lacks only adequate funding.

That was our statement before the Appropriations Committee since we were emphasizing funding, but to say it is the only thing it needs is an oversimplification. Yet, our recommendations for change are few in number and are primarily operational rather than conceptual in nature. We have three specific proposals to advance at this time.

The first proposal relates to section 442, allotments to States. The State allotment formula has traditionally been a problem for the student-aid programs because of the significant variations in funding of panel approved institutional requests that result.

We have struggled with this matter, and in fact, have a committee studying the problem in depth, but they have unfortunately not completed their deliberations as yet. We would be very concerned if the formula approach were deleted altogether, not only for the political ramifications, but because it would encourage a high degree of "grantsmanship" in the institutional applications for Federal funds.

The work-study formula, as you know, differs from the one used for SEOG and NDSL, in that it brings to bear the number of high school graduates and the number of low-income families in the State, thus reflecting the potential population to be served as well as the actual enrollments.

Ideally, this gives those States with lower participation in postsecondary education some leverage to improve that situation. In that sense, the CWS formula is probably the better of the two aprpoaches.

We recommend the following changes in the formula which we feel will improve upon the current one. Section 442(b)(1) should be amended to read: 30 percent—meaning 30 percent of the allocation—shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such 30 percent as the number of persons enrolled half-time or more in postsecondary educational institutions approved for participation in the college work-study program in such State that bears to the total number of such persons in all the States, as determined by the Commissioner.

Section 442(b)(2) should be amended to change the references of "one-third" to "thirty percent." Section 442(b)(3) should be amended to change the references of "one-third" to "thirty percent", and to increase the income ceiling from $3,000 to something on the order of $6,000 to $7,500, depending upon the data available from the Bureau of the Census.

If we use 30 percent on the basis of three different criteria the remaining 10 percent would continue to be allocated by the Commissioner.

Our rationale for these changes we think are quite important. Since CWS is now available to half-time students, it makes sense to count them in the formula rather than restrict the count to full-time students.

This is particularly important in the community colleges where the number of half-time students is more than the 4-year colleges.

Changing the base from enrollment in institutions of higher education to enrollment in postsecondary education is in keeping with the thrust of the 1972 amendments and consistent with program eligibility.

On the other hand, not all postsecondary institutions are eligible to participate, so it would seem proper to restrict the count to enrollment in those institutions which are eligible.

Raising the current annual income ceiling, which is presumably a definition of low-income families, from $3,000 to a higher figure reflects the changing economy and the fact that families with substantially higher incomes are now demonstrating clear eligibility for the program.

For example, the number of persons specified in the current law dropped from almost 12 million in 1959 to 5.8 million in 1969. Obviously that does not mean that there are fewer low-income families, but that inflation has excluded half the families under the old definition.

Since almost any student from a family under $7,500 in annual income can demonstrate eligibility for college work-study, we propose that the definition be raised to an appropriate level consistent with available census data.

Section 442(d) needs clarification to make certain that reallotment by the Commissioner during the year of expenditure is permissible. This is a very complicated issue beyond the scope of the hearing, involving legal interpretation by U.S.O.E., which threatens the effective use of all appropriated funds. We will be happy to work with the subcommittee staff to resolve the matter.

We would recommend one addition to part C, to provide institutions with the authority to carry over up to 10 percent of an allocation to the succeeding fiscal year, or utilize up to 10 percent of the allocation for the succeeding fiscal year to meet current year obligations. The rationale for this recommendation is as follows:

1. When placing students in the college work-study program institutions establish a limitation of earnings which is the maximum amount the student can earn. However, for many students the maximum is not earned if there are dropouts, employment terminations, or insufficient hours worked.

Therefore, to utilize available funds financial aid officers are constantly monitoring payroll totals and awarding work-study. Since the number of students on the program may be large and the wage rates may vary from the minimum wage to a maximum of $3.50, it is very difficult to estimate precisely what the total earnings for all students will be.

This is further complicated by the fact that the end of the fiscal year comes shortly after the start of summer school and new students are added for full- and part-time employment at this time.

In fact, I might say in planning our summer program right now it is difficult to know exactly what day these students will start to work, whether they will get in 6 weeks of earnings before June 30 or 5 weeks before June 30.

2. Financial aid officers have the natural and expected desire to use fully those dollars which are available to assist students. Failure to estimate closely results either in a surplus which the institution and students lose, or excess earnings which must be paid by the institution from its own funds, which may not be available, and this is particularly true at the end of the year, or, if provided, cause unnecessary hardships on the institution.

3. The limitation of 10 percent is recommended to allow for the misestimations that occur despite the best judgments of the financial aid officer. It is our belief that the amount should be no larger than 10 percent.

This limitation provides an incentive to the financial aid officer to do a good job in estimating. Hence, any expected surpluses over 10 percent would be lost to the institution and any deficits over 10 percent would have to be made up by the institution.

We also propose an amendment to part F—the "General Provisions"—section 496, to include the national direct student loan program in the authorized transfer of funds from one program to another. We suggest the following wording and rationale:

> Up to ten percent of the allotment of an institution of postsecondary education for a fiscal year under sections 413D, 442 or 462 of this act, may be transferred to, and used for the purposes of, the institution's allotment under the

other sections within the discretion of such institution in order to offer an arrangement of types of aid, including institutional and state aid, which best fits the needs of each individual student. The Commissioner shall have no control over such transfer except as specifically authorized, except for the collection and dissemination of information.

The rationale: 1. The Tri-partite application for Federal student financial aid funds is submitted without prior knowledge of the funding levels of the three campus-based programs. Variations in funding levels between programs destroy the packaging logic utilized in preparing the original application.

2. At the time the tri-partite application is submitted, it is impossible to accurately predict the labor market for student employment, the availability of loans under the guaranteed loan program, and the funding levels of State and Federal gift aid programs.

3. Therefore, the institutional financial aid administrator needs the flexibility to transfer between programs up to 10 percent of the institution's allotment for each of the college work-study, supplemental educational opportunity grant, and national direct loan programs.

This transferability of funds among the three campus-based programs would enable the institution to utilize its total Federal allotment in the most effective and efficient manner.

We recommend that section 447, authorizing work-study for community service learning program, be deleted from the law. The program has never been funded, is duplicative of what the regular work-study program can provide under existing authority, and as currently written has dozens of administrative nightmares, if not impossibilities.

We believe that these adjustments in the work-study program will enhance its success in meeting the needs of students, institutions, and off-campus agencies in the years to come.

We are aware that some criticism has been made of the work-study program because it has not been related more extensively to the academic program of the student employee. We support wholeheartedly the desirability of this relationship whenever possible, but question whether or not this objective can or should be translated into a legislative mandate.

There are several limitations to the degree to which employment under the work-study program can be related to the student's academic program:

1. College work-study is heavily utilized by first and second year students who (*a*) have not selected a field of study, and/or, (*b*) have limited experience and skills in their academic filed. Related work which can be provided these students is thus of limited availability.

2. Students in liberal arts curriculum are likewise difficult to place in positions related to their academic program. An academic department can only hire a finite number of student assistants.

3. Many institutions depend upon students to operate their facilities, not all functions of which can be related to academic programs. To prohibit the use of CWS students in these nonrelated positions would work a severe hardship on these institutions.

4. Finally, a bit philosophically perhaps, not all students want to work in related positions. They find employment to be a relaxing variation in their schedule and use it to break the academic routine.

They prefer to work on campus for convenience and social reasons, and decline academically related off-campus jobs which are available.

The association feels that the diversity of job opportunities which would naturally result from improved funding of work-study, as a larger proportion of the positions are made available in off-campus agencies, will provide sufficient choice to those students desiring academically-related employment.

In addition, USOE guidelines can stress the desirability of providing such opportunities and minimizing the use of CWS students in routine, nonchallenging work which does not take advantage of their capabilities.

Incentives might be provided by USOE for the development of related positions through the 10-percent discretionary authority proposed for the Commissioner. In other words, we support the concept of upgrading the type of work being assigned to work-study students, insofar as feasible, but urge that such action not be legislated, for reasons given earlier.

Part D of the cooperative education program: As indicated in our introductory remarks, this part is not administered as a student assistance program, but rather as a component of institutional academic support.

This approach seems to us to be appropriate, given the present authorization and its prohibition against the use of these funds for the payment of student wages. We would recommend that this distinction be maintained.

The current work-study legislation permits the placement of students in a cooperative education situation at the institution's discretion, provided all other eligibility criteria are met.

It is not frequently utilized for a number of reasons, the main one being the more costly nature of such an assignment to the limited resources currently available. If improved funding of CWS can be brought about, more of this type of work opportunity will probably result, particularly with contnued part D seed money to stimulate the development of cooperative education programs.

Thus, we urge the extension of part D, leaving to the existing CES program and external funding resources the payment of student wages.

This concludes our prepared remarks on the "work component" of title IV. We would be happy to respond to questions. Again, as always, we appreciate the opportunity of discussing the financial aid programs with you.

Mr. O'HARA. Thank you very much, Mr. Purdy. I tend to agree with your assessment of section 447. I don't see anything that can be done under 447 that can't be done under the remainder of the work-study program.

Indeed, we have had some people testifying last week on work-study who told us of placing people with public service work organizations in their community. For instance, the student assistance officer from Simmons College in Boston spoke of that being a major source of work-study placement for them and for other institutions in the Boston area.

We have had some complaint about the whole idea of the cutoff. Some of our witnesses on work-study have suggested that the income limitations, the application of needs analysis to determine eligibility for work-study employment was inappropriate.

Second, that the provision that requires you to pull a student off a work-study job, even if it is in the middle of the afternoon, when that student has earned precisely up to the amount of the student's need introduces into the program some administrative difficulties that perhaps aren't justified.

I would like to have your comments.

Mr. PURDY. Indeed you are correct, Mr. Chairman, in saying that this does introduce some real administrative difficulties. Like everything else, when a good idea is adhered to without any flexibility at all we introduce inequities which weren't intended.

I would say financial aid people generally are still basically agreed that Federal tax dollars should go to encourage and support those who need help for education and we should not promote any program that lets these dollars unnecessarily get diffused so that we are unable to help those who need them.

Now, the Office of Education, and lately it is in keeping with the regulations that we should stick to an exact cutoff point when this dollar amount of earnings is reached. You must tell the professor that this boy has to be taken out of the laboratory at 5 p.m. on April 23d because he has reached his $600 mark, when maybe another $100 of earnings, which maybe the profeessor has in his budget, could pickup on this project and take him out through till the end of the semester.

This isn't good administration, it isn't good education. I don't think it is really the wisest use of even the Federal tax dollar.

Mr. O'HARA. And it isn't consistent with the concept that the student has a job, that he is earning this money. He is saying, "We are giving you this money. You don't really earn it. That is a game we go through in order to give it to you and we aren't going to give you a penny more than the amount because we think you are ripping us off if you work for this money an extra week."

It seems to me if it is a good work-study job the student is earning the money, and to say to him if you have a job at the gas station across the street in which you worked not one bit harder than you are working right here on the campus, it would be okay for you to go on working and earning, but not in this program.

Mr. PURDY. This is exactly the thing that we both know has been brought about with a very strict adherence as if the financial aid man was wise enough to know just exactly the dollar amount that this boy or girl should have.

We don't want to take off all the rules and let the use of this be abused but we think a flexibility there may be a $100 leeway so that the auditor wouldn't come in a year later, and this has actually happened, and asked us to return to the fund *x* number of dollars because the student was permitted to work for the chemistry department of the library in excess of the need as done by some computer.

Mr. O'HARA. It is ridiculous. A theory has grown up and I think it accounts for an awful lot of the new construction down here, the traffic on the bridges in the morning, and so forth, that if a law is enacted you must then write regulations that anticipate every possible situation that might arise under the law and give a specific detailed direction as to how to handle it, and so you have all kinds of people dreaming up all sorts of situations and problems and giving specific directions as to how to handle every one.

I have sometimes thought of amending the law to say that no regulation with respect to any law enacted by the Congress shall contain more words than the statute.

Mr. PURDY. I think that would be a very good conservation measure.

Mr. O'HARA. The paper saving would be just fantastic, then people would have to use their own judgment, which I think is a lot better than the anticipation of somebody who is trying to guess what is going to happen ahead of time. Maybe we can work that out.

Mr. Lehman, do you have any questions?

Mr. LEHMAN. No. I just enjoyed his testimony because when he comes up here he is right down to earth and gives us a good idea of how it works in practice and the contingencies you run into when you get into the program.

Mr. O'HARA. One of the things I want very much to do, Mr. Lehman, is to give student financial aid officers some discretion in their handling not only of this one but the remainder of the package.

Let them use some judgment. God gave them judgment and I want them to use it. I don't think because they are involved in a Federal program they ought to abandon their reason and just drag out a book and start slavishly following it.

Mr. TOMBAUGH. That is music to our ears.

Mr. PURDY. Let me ask do you have any further questions regarding the education related jobs? This has been discussed quite a bit. You heard our testimony and frankly, we expected some questions on it because of other suggestion that have been made.

Mr. O'HARA. I agree so completely I didn't even bother dragging you in on that. As I told one witness last week, my definition of a meaningful job is one for which you get paid. I am not impressed by all this business of how a job has got to be related.

I think, in cooperative education, that is indeed what makes sense and it would be awfully nice to be able to have a job that is related to your field of interest, your career interest.

But, I recognize that that isn't always possible and it doesn't concern me that it isn't always possible.

Mr. PURDY. Again we reiterate that we believe in the concept. I personally feel that a pretty high percentage of the students are benefiting in educationally related jobs but there is just a lot of the world's work to be done that doesn't conform to a particular educational discipline of history, physics, or chemistry.

Yet, the very doing of that job, the discipline—A lot of times this is the first time a student has even had the experience of having to report for a job at a certain hour and stay with it for a certain time under supervision.

That in itself is education. It may be disillusioning, but it is education.

Mr. O'HARA. I thank you very much, both of you gentlemen. I did enjoy your testimony and I am going to wave it around when the time comes and quote from it.

Mr. PURDY. Thank you.

Mr. O'HARA. Our next witness is Mr. Walter Davis, director of the Department of Education of the AFL-CIO.

When we are talking about work as a component of postsecondary education, either as a financial aid or an instructional component, we can get important advice from the spokesmen of the American working man and woman.

The AFL-CIO speaks more than for working people. It also has as proud a record as any organization in America of support for strong, effective and fully funded education programs.

Mr. Davis, we would like to hear your testimony.

STATEMENT OF WALTER G. DAVIS, DIRECTOR, DEPARTMENT OF EDUCATION, AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL WORKERS, AND JOHN A. SESSIONS, ASSISTANT DIRECTOR, DEPARTMENT OF EDUCATION

Mr. Davis. Thank you very much, Mr. Chairman. We have a brief statement which I will proceed to read and maybe comment in a few areas as we go along. I want to say also, scheduled to join us this morning was Mr. Kenneth Young, but he is on the Senate side with problems we are having over there.

Mr. O'Hara. I am a little worried about that. I wish you had brought him with you.

Mr. Davis. My name is Walter G. Davis. I am director of the Department of Education of the AFL-CIO. With me this morning is Mr. John A. Sessions, assistant director of the department.

We are very pleased to have this opportunity to share with you some of our concerns about higher education. This has come to be a matter of great concern to AFL-CIO members.

Mr. Chairman, first let me reiterate the long-range goal of the AFL-CIO. It is for free public education through 4 years of college. As you know, labor has historically fought for the concept of free universal public education since the first third of the last century.

Mr. O'Hara. Mr. Davis, have you ever thought of adopting a slogan for that? You could say "Four more years."

Mr. Davis. In today's context I am afraid not.

This concept also embraces other postsecondary education, such as 2-year institutions and technical institutions.

Perhaps we are alone in this commitment, but we are convinced that this is the way the country should go if we are to realize the goal of equal access to higher education for all Americans.

But we also live in the real pragmatic world. And our expectations of reaching that goal are also real. This committee knows of the past AFL-CIO contribution to education legislation. Our interest in education is rooted in the fact that we see ourselves as a major education consumer.

The Nation's organized labor population numbers some 19 million members. To use the usual multiplier of four, that is trade union members and their families, you arrive at some 76 million people.

No one suggests that we speak for all of these people. Yet, the point I am making is that a large segment of our population are workers who have a stake in our educational system.

There was a time when it was uncommon for the sons and daughters of union members to continue their education beyond high school. Today this is no longer so. It is now a common expectation of union members that their children will take part in some form of postsecondary education.

The tremendous costs of higher education nevertheless have created a barrier to young people from working class families.

The wealthy can afford to pay the rising costs of higher education. For young people from low-income families there are available, to a limited degree, a variety of student aid programs, but for students from working class families there is little available aid.

Student loans, which are difficult to obtain, start students off in life with a mountain of debt. Our studies indicate, and we reiterate this point made a few years earlier when we came before this subcommittee, that a male and female student who depend upon the loan program and who marry during or after their college career may well begin married life with a debt load of more than $50,000 when computed on the basis of a 20-year payback period after graduation.

We said at that time, any formula that does this to people is wrong. One of the traditional ways for the financially pressed students to attend college has been "to work your way through."

This avoided future debt and unbearable financial burden on the student's family. But mounting tuition costs have made it increasingly difficult to finance a higher education by washing dishes or moving lawns.

To meet these problems Federal programs providing work for students were established as long ago as the New Deal's National Young Administration which provided federally financed jobs for students who needed them in order to continue their higher education.

The AFL–CIO has consistently supported work-study programs and cooperative education programs as among the most useful forms of student aid. At the very least these programs provide financial support for young people who might not otherwise be able to obtain a higher education.

At their best these programs provide experience which is itself an important adjunct of the learning process.

We would urge that in redrafting legislation in the field of higher education, the House and the Senate give particular attention to establishing realistic levels of financial need for work-study and cooperative education programs.

Present costs, as we reiterate again, create an enormous financial burden on moderate-income families, especially if they are attempting to put more than one of their children through college at the same time.

According to our information from informal surveys conducted at our summer school programs, there has been a dramatic shift in the attitude of blue collar workers with respect to aspirations for their children to go on to higher education.

This was not true in the past, particularly among craft union members. And on that point, Mr. Chairman, I think history will show that particularly in the trades there was always an attitude of having my son follow and go through apprenticeship and so forth, become a journeyman.

What we find today is there is much less of that than there was in the past. So today, blue collar workers regardless of occupations dream of seeing their children get the maximum in education experiences under the theory that it would assure them of a better life.

Many parents among our membership prefer to assume the debt of tuition costs themselves through conventional bank loans, rather than saddle their children with that burden.

But, to cause parents to go deep into debt at the age of 40 through 60 to help finance a college education constitutes a serious hardship on that segment of the population. It comes at precisely the time that these persons should be preparing for retirement.

So we would indeed encourage an expansion of the work-study and cooperative education concept and urge an even greater Federal investment in the program.

Another major point which we would hope the committee seriously considers has to do with the eligibility level of income which school financial aid officers must impose on applicants, a point made by the previous speaker.

Quite often, the needs test will rule out the participation of middle income families with earnings slightly higher than those of the economically disadvantaged. And I want to make a point there, Mr. Chairman, that we certainly have been in the forefront of the struggle to help the disadvantaged get some aid for college. We are not abandoning that effort at this point.

We are just saying—our people are saying "me too." We offer no recommendations on this point but strongly suggest that it be reviewed.

Finally, we wish to make note of our general agreement, and this might come as a surprise to you, with the statement submitted to this committee by the U.S. Chamber of Commerce on May 14, 1974.

We would, however, add labor to their recommendations under paragraph 6, page 6, of their statement. The statement has to do with asking the committee to specify that nonprofit organizations and professional organizations be available for subcontracts to schools for jobs and handle certain administrative details.

Local AFL-CIO central labor councils working with our Human Resources Development Institute have been promoting the development of jobs with the cooperation of the National Alliance of Businessmen for many years.

That program has been designed, of course, to help the hard core unemployed. We see no reason why it can't be helpful in the question of student aid.

In several cities, this program has achieved positive results. We would hope therefore that these organizations can be included among those eligible for subcontracts with schools in their area.

We commend the chairman and members of this subcommittee for the sensitivity which you are showing with respect to this problem.

That completes my statement.

Mr. O'Hara. Thank you, Mr. Davis.

I had to restrain myself from jumping up and cheering at a couple of points. I just want to make a couple of observations.

First, any program that has the AFL-CIO and the U.S. Chamber of Commerce in enthusiastic agreement has got something going for it. I think we ought to take note of that.

Second, I want to let you know that I am completely sympathetic with the concern you have expressed in your testimony about the plight of the family of average means that is trying to finance the higher education for a child or children. They are in that nether world; they can't afford to do it, yet they aren't eligible for any help.

It is the old saying we are all so familiar with: too young to die and too old to work. They are somewhat in that position. They don't make enough money to finance an education for their kids, yet they make too much to get any help.

Mr. Davis. Mr. Chairman, I am in the same boat of having two at the same time myself, so I speak personally on this question.

Mr. O'Hara. I understand. I have two, and I know it is a problem. I don't expect we would get any help. But then I think of the autoworker or steelworker in my congressional district who works damned hard for what he gets, and he just doesn't qualify, there is no way he can qualify for any help, often his kids don't go to school.

I think we have to do something about it. In any event, I am not sure that you ought to have the same kind of needs test for all different kinds of programs. That has been one of my points.

If someone is coming to the Federal Government and saying, "I want a grant of public funds to go to school," yes; you have to have some kind of needs test. You can't go giving the Government's money away to people under the present law without determining whether or not they have any need for it.

But I think it is a completely different sort of thing when what the student is asking for is a chance to work his way through school, or what the student is asking for is a chance to borrow some money and pay it back later to pay that student's way through school.

I don't think you ought to have the same test applied to those kinds of things as you do for the grant. For that matter, Mr. Davis, you and I have been around together here a long time and one of the things that bothers me most about what has happened in the Congress in the last half dozen years is the way the needs test has crept into every single thing we do.

We have let ourselves get backed into a corner our opponents have been trying to get us into for years. They believe, and say that the Government doesn't have any business helping anyone unless that citizen is a pauper—unless he is willing to take a pauper's oath. It isn't the function of government, they seem to believe, to help anyone unless he is too poor to survive (or, of course, too rich to need any help).

You and I, on the other hand, have always taken the position that helping the great majority of our fellow citizens is what the Government, like the labor movement, is there for.

I think we have to take a good hard look at this to see where this is aimed.

Mr. Davis. I would agree.

Mr. O'Hara. And I certainly think we have to do something about the family of average means. I don't want to demagogue it, but when one of my constituents says to me, "Look, O'Hara, what are you doing for me?" he has got a point.

Apparently we don't think his problems are worthy of our consideration because we aren't doing anything for him at all. We are just giving him a lot of bunk and adding a few taxes on to it. That is what we are doing for him. I think he deserves a little better of us than that.

Mr. Davis, thank you. I hope to be back in touch with you again. Does the Chamber know? I am not going to tell them. They may want to revise their testimony when they find out.

Mr. Davis. I am sure that will be a result.

Thank you very much.

Mr. O'Hara. Our last witness this morning is a neighbor, Mr. John Shea, who is from the University of Michigan at Dearborn. He is the cooperative education coordinator at the Dearborn campus.

He is going to direct his attention and our attention to the particular problems of cooperative education for students in liberal arts.

Mr. Shea, we will be very happy to hear from you.

STATEMENT OF JOHN D. SHEA, COOPERATIVE EDUCATION COORDINATOR, COLLEGE OF ARTS, SCIENCES, AND LETTERS, UNIVERSITY OF MICHIGAN, DEARBORN, MICH.

Mr. Shea. Mr. Chairman, thank you very much. My name is John Shea. I am cooperative education coordinator in the College of Arts, Sciences, and Letters of the University of Michigan-Dearborn. My college education was in the liberal arts: B.A. Michigan State University, 1964, and M.A. Eastern Michigan University, 1969.

Like most students who choose to study in the arts and sciences, my orientation to a future career was mostly nonexistent. Cooperative education was for students in engineering and accounting.

What was left for the liberal arts students was time ot think of answers for parents who could not figure out why someone would major in political science. "What was it preparing you to do?" they would ask.

I did not have a good answer then, but today cooperative education can provide an answer if given an opportunity.

In those days I only saw things as they were and asked why—sometimes. Now, as a cooperative education coordinator in an arts and sciences college, it is incumbent on me to dream things that never were and ask why not.

A welcome new era is dawning in American higher education. Cooperative education is coming to the arts and sciences. Seemingly due in large measure to the farsighted leadership of many in the U.S. Office of Education, the recent development of Federal funding for cooperative education may become most helpful to current and future generations of college students, who because they haven't studied in the traditional fields such as engineering and business, have not had the advantages of the work-study approach through the years of their college education.

Mr. Chairman, if you wouldn't object I would like to have the rest of this testimony entered into the record and speak from notes rather than the text.

Mr. O'Hara. Without objection, Mr. Shea, we are going to enter your full statement in the record.

[The document referred to appears on p. 273.]

Mr. Shea. Thank you. I am here to try and make a case for cooperative education in the arts and sciences. I am using the term arts and sciences rather than liberal arts because one of the problems in arts and sciences is the fuzzy image of the arts and sciences student as someone who is not really prepared to do anything.

My feeling is at the present time cooperative education in the arts and sciences is a very separate problem and a very unequal situation. To begin with, there is a lot of questioning among the more experienced people in cooperative education as to whether or not it should ever have been applied to the liberal arts.

Interestingly enough, I think it can be argued that the career orientation value of a student from the arts and sciences who participates in cooperative education is even greater than the value it is to the engineering and business student who clearly, from the beginning, has his eye on a particular specialized career field.

But, any kind of career orientation that is built into an arts and science curriculum is a greater contribution to that curriculum and the students who are in it. Second, and I know this is a prime concern of yours, is that cooperative education can be a source of income for students who want to pay for their college education, at least in the last 2 years if not more.

Most universities I am familiar with, the arts and science college within the university will usually comprise about 50 percent of that university's enrollment. But, if you will refer to exhibit E in the written report that I submitted to you, you will notice that as of fiscal year 1973, with the Federal Government employing 5,675 cooperative education students, only 966 of those students, or 17 percent, were in occupational groups that would be understood as primarily arts and science occupational groups.

With more than 50 percent of most university curriculums, but only 17 percent of the participation in cooperative education, it should be very clear that the largest segment of the universities have, for the most part, been left out of this picture.

Cooperative education in the future serves as a good source for earnings for students that work in the arts and science program. Secondly, I would like to refer you to exhibits B and C, which are Detroit News editorials.

The first editorial, Tuesday, March 26 of this year, talks about a subject I know you are very concerned about, and that is the zooming college costs. It points out that for many middle-income families the cost of a higher education is becoming prohibitive.

Then, in the last three or four paragraphs it refers to some innovative ways to get around the family's education bill. Interestingly enough, considering one of today's guests, the Detroit News editorial refers to Berea College in Berea, Ky.

We talked with the editorial writer and about 3 weeks after that another editorial was written. By this time the editorial writer had become familiar with the fact that cooperative education was now beginning to flourish, in addition to the traditional engineering and accounting and business fields, on a broader scale.

So, the Detroit News ran an editorial specifically nominating cooperative education as a good tool to provide a source of income for a certain percentage of students through their last couple of years to help pay for their college education.

I know that the writer of this editorial was very concerned about something you just mentioned, and that was that cooperative education not become just another scheme for those with financial need, or, Mr. Chairman, that it not become just—and I underline the word "just"—

another scheme where it would only be affirmative action employment; in other words, minorities, women, et cetera.

I am sure you do have a strong bias in favor of that kind of affirmative action, but if a program such as cooperative education becomes only that, if it is only an affirmative action program, it certainly would not serve a broad scope of students who have the need to pay for their college education because they are middle income and have no plans to turn to.

Thirdly, with respect to the arts and sciences as a separate problem within cooperative education, I want to refer to the study of what can happen.

Someone mentioned here earlier today, and this is a very prevalent attitude, that arts and science cooperative education is very difficult to work because those students really don't have any skills and there's nothing you can do.

Exhibit A, that is part of the report, is a news story written by George Bullard of the Detroit News. He refers to a student. We had a student come to our cooperative education. She had a 4 average through 3 years of college.

At the end of her sophomore year she tried to find some study-related work, couldn't find any work except as a jack-in-the-box. She is a sociology major with a 4 average. This summer, instead of working as a jack-in-the-box, as a clown waving people in, she is working as an editorial assistant at Gale Research in downtown Detroit, helping to publish a highly reputable research volume.

That is what cooperative education is all about, and the liberal arts coordinator has to go to battle for what the other people in cooperative education have. They have to go out and prove that students have skills that can be used in this way.

This has proved it can be done.

I am also glad to see that you agree that within cooperative education there probably is justifiable rationale for study-related and/or career oriented employment, which I think is what title IV(d) refers to now or requires.

I would like to make a brief listing of the problems which I think are unique to this society. First of all, we have the problem of the image itself with respect to the industry. If you don't have a businessman saying, "I will take an arts and science student, except it will take me 6 months to show him where the bathroom is," you have a businessman saying, "We will take an arts and science student but they don't have any skills."

Higher education is at fault here. We have our curriculum designed in such a way that we call our people history majors, English majors and at the undergraduate level that does a great disservice to the potential employability of the student because any university I know of at the undergraduate level requires that students take two-thirds of their academic program outside of the major, so they are not history majors or philosophy majors. They are liberal arts majors and that may be something very important with respect to selling liberal arts cooperative education.

And that is, when you are talking about a broader base, as a man from Ford Motor Co., Chuck Christian said, "Ford looks for people with communication skills, analytical skills, and interpersonal skills."

A good liberal arts curriculum provides those skills, but because the faculty within an arts and sciences college don't like to talk about skills, whereas, business and engineering people are happy to. The business world isn't ever told that arts and science students are developing communication skills, analytical skills and interpersonal skills.

Second, the faculty, especially within an arts and science program—and, once again, it doesn't have to be dealt with by the business or engineering coordinator—faculties in arts and science programs at a 4-year university, maintain an attitude of antivocationalism and they regard co-op as a vocational feature that doesn't belong in higher education.

If you want to do that you go to a community college or to an institute someplace. As I mentioned in this paper, I think there is a certain concern that is justified on the part of the faculty. They want to retain as much of the student-faculty direct contact as they can and they don't want to see a student enter college and be able to get a degree without ever having to set foot on the campus at all.

I am trying to point out that these are unique problems we have to face that the other people don't have to face and this may require some unique solutions.

Second, there is a noticeable lack of support services nationally espescially. Liberal arts cooperative education needs—and it is nonexistent at the present time—for example, 2 weeks ago in Detroit, May 2, the National Commission on Cooperative education held an employer recruitment conference.

It was cohosted by the Detroit Institute of Technology and it was very successful, except that the only employers they recruited were employers who were very easy to recruit: the employers who hire technical students, who hire accountants, and, and so forth.

You don't need to recruit those employers. All you need is a desk and telephone and let them know you are in business. But, as an arts and science coordinator you are going to make 10 calls on employers before you are going to get one employer who is going to give the program a try.

I find that to some extent disappointing if not amazing after 2 or 3 years of the Office of Education specifically giving extra incentive to liberal arts cooperative education by giving 60 percent of its funding in that direction that the national organizations aren't directing some of their attention to that area of cooperative education that needs most of the help in employer recruitment rather than directing it to an area that needs the least.

Regional training sessions: there are half a dozen universities in the country who are funded to train new coordinators. I went to one of these training sesions. Once again, because you have liberal arts people, 2-year college people and the business and engineering people all there to be trained, there is an awful lot that could be said to the liberal arts coordinator that would be of great help to that person that isn't even covered.

Principally, one example would be liberal arts people will make a much higher percentage of placement with Government employers than will the business or the engineering coordinator.

The last exhibit I have is exhibit D. These are statistics in Northeastern University's large programs.

As you can see the percentage of students in engineering and business who are placed with Government and nonprofit employers is far smaller than the percentage of students who are placed with Government and nonprofit employers from the arts and sciences so that it really is a different ballgame.

You have to begin approaching employers who have never been involved in cooperative education before, with the exception of the Federal Government.

Legislation important to art and sciences co-op progresses through Congress without attention from national co-op leaders. As an example of this is an amendment to the Elementary and Secondary Education bill, which I believe Senator Humphrey introduced in the Senate last week and I believe it was debated on this week.

It is going from there to a conference committee if it is passed. That would provide $5 million for State and local elected officials to use students on a full-time basis in an alternating semester kind of thing. Yet it really isn't an alternating semester.

That is the one problem with it. There was a stipulation according to Mr. Jim Thurber, who is one of Humphrey's assistants, that a student would only be able to make one placement through this program.

The problem with that is it then falls short of being cooperative education. It may be a scheme to offer some study-related practical experience. But today in the State of Michigan, as you well know, we have many professional assistants to legislators. They are positions that didn't exist a few years ago.

These are career positions and can be best served by having the work-study program and not exclude the cooperative education scheme which envisions more than one placement because it is more of a career-oriented approach than internship.

Internship usually refers to study-related activity. Cooperative education usually refers to going beyond that to more career-oriented in addition to being study-related.

I talked to the man who was the only full-time national spokesman for cooperative education and he was very busy with a very large program that was introduced, I believe, to your committee in Congress this week.

He hadn't been aware of this small program of only $5 million. But this program is going to be vitally important to liberal arts coordinators who are trying to find placements because liberal arts students will be interested in those full-time assistantships to elected officials and not the business and engineering coordinators.

The National Cooperative Education Association, I think it can be argued, is poorly organized to represent the new face of co-op. Just 4 years ago cooperative education was engineering and business and it would be OK if you had a national association in one central authority and that was run by an engineer and a business person.

But today we have added on the arts and sciences and the 2-year people and these are very separate needs. In cooperative education to this day, most of its leadership is engineering and business people and the arts and sciences get lost somewhere down the road.

For example, in the past 12 months at their national convention, it was reported from a number of committees the activities that committee conducted in that year and the liberal arts committee of the

Cooperative Education Association reported it hadn't done anything. That doesn't speak well for some of the needs of arts and sciences in cooperative education.

Fifth and last in this list of needs is that not enough data and dissemination of data vital to arts and science co-op is taking place. Arts and science coordinators need to know, since public employers are going to be such a large employer group for arts and science students, what other States are doing with public employer groups.

Nobody collects that information, no one disseminates it. The people who you think would know most about this business know very little about it. And interestingly enough, the people you think would really be expert in this, even in their own State, have failed to generate the kind of cooperation with their State civil service that you would think would come from the oldest school in the country in arts and science cooperation.

My understanding is there are only two States in the Nation at the present time, Florida and New Jersey, that have statewide offices of cooperative education where people, full time, are trying to generate State agency opportunities for the students.

But coordinators all across the country—there are now hundreds of these people in arts and science where 2 years ago there weren't any—they don't know where to turn to get this information.

And the people that run these national organizations aren't making it available. They are busy with the engineering and business.

Another reason why cooperative education in the arts and sciences is so different is the new employer markets we made reference to. Also, the supply and demand ratio for arts and science students is far different than it is in the business and engineering field.

Up until this present semester, I can speak and know for sure, at the University of Detroit and the University of Michigan in Dearborn, both schools have had cooperative education for 60 years; the University of Michigan at Dearborn for 15 in business and engineering.

They have never failed to place a student who applied. That is how good the demand picture is for co-op students. It is not the same in the arts and sciences. In the arts and sciences the University of Detroit, that has had this amazing record, can say to a new coordinator who wants to know how this thing works, "we haven't been able to do anything for four years with arts and science cooperative education."

But you see, if your job includes engineering and business as well as arts and sciences you can still have a busy day and feel like you accomplished something. But if your only job is arts and science cooperative education and you can't make some headway, you haven't had a very good day. And having a good day is important because if you don't have many good days you are not going to have a job after a certain period of time.

I don't want to leave the impression that this idea of supply and demand should be the thing that determines whether o. not cooperative education should be supported. In addition, in spite of the high supply of arts and science graduates, there are still recruiting problems faced by employers who hire these students in great numbers.

These employers are State governments, large county governments, large municipal governments. They are troubled in the State of Michigan, according to Dr. Dempsey in the Michigan Department of Management and Budget, recruiting minorities, recruiting women, reducing a high turnover rate, arts and science graduates in general who take the civil service exam as a last resort when they don't find a job on graduation, or are in the job for a few months, find out they don't like it and leave.

Even though there is a high supply there are still recruiting problems. Cooperative education addresses itself to these recruiting problems and can make a significant contribution if we can get someone off the ground to want to give us a try.

We have been through the rationale of cooperative education; it is a laboratory for study, it is earning money, which is one of your prime concerns, it is career orientation, personal growth opportunities and lastly, the recruitment value to the employer.

I would like to finish with some recommendations. The first set are specific. The last two or three are general. What I am asking this committee to do is, first of all, recognize and treat art and science cooperative education the same as business and engineering or it won't succeed.

Within the next year or two the demand from arts and sciences co-op coordinators for co-op jobs may grossly exceed the supply. The result might be the failure of a few hundred demonstration grant programs in the arts and sciences.

Some Federal funding directed toward job development as well as campus administrative machinery is needed to bring this supply/demand picture into a more successful balance.

The current funding through title IV of the HEA of 1965 of $10.75 million is being directed entirely toward establishing administrative machinery on college campuses. Ten of that $10.75 million is being directed at that entirely. The rest of the $10.75 million is not being directed toward jobs.

Any future title IV cooperative education funding should make 15 percent of the total funds appropriated per fiscal year available to offices designated by State, county, and local governments, which in turn, should use these funds as partial reimbursement to departments and agencies of government and other private, nonprofit service institutions, which hire cooperative education students on a full-time, full-pay basis.

The amount of money available per student should be set at 20 percent of the established salary for the co-op job. But it should not exceed, in any case, $1,600 per student on a yearly basis. This represents 20 percent of the yearly salary of $8,000 which would be the uppermost salary offered to a representative of a liberal arts discipline during their tenure in the program.

At the State level the department likely to administer such a program might be, but not limited to, any of the following: Executive office of the Government, department of management and budget, office of higher education, or the civil service department. Circumstances in different States might dictate different departments.

At the county or municipal level, one agency might be designated to coordinate all local "co-op reimbursement" funding. Such an agency in many metropolitan areas of the country would be the area "Urban Corps" affiliate.

Urban Corps currently makes a most successful effort recruiting study-related jobs for students with government and nonprofit agencies, as well as students for the jobs. Unfortunately, for a student to be eligible for placement through Urban Corps, he or she must be eligible for the full amount of financial aid available through the college work-study program.

Because of this limitation, scores of highly study-related jobs go unfilled, while at the same time scores of co-op education applicants go without jobs because they can't qualify as middle-income students for CWSP financial aid.

Urban Corps could continue to administer the CWSP plan while also handling the "co-op reimbursement" program.

This money should be made available on a "demonstration" basis for a period not to exceed 5 years. It will take that long for such large prospective arts and sciences co-op employers such as State governments to evaluate the effectiveness of co-op as a recruiting tool as well as its other values.

The intention of this funding would be to encourage those types of employers, such as government and nonprofit service institutions who might provide large percentages of arts and sciences co-op jobs to join this cooperative approach between university and employer as a means of improving the educational process and the manpower development process.

The remaining three recommendations that I have are not as specific as that, Mr. Chairman, but they are based upon my experiences as a liberal arts co-op coordinator.

Greater coordination between co-op and the college work-study program would be very beneficial to liberal arts cooperative education. We are trying now to see if the two can't work together.

We were told that Northeastern University does use CWSP and co-op and they both work together, even on a full-time basis. But the best understanding we have is there is a lot of ad hoc to that arrangement and we are now, in the State of Michigan, trying to see if the same arrangement can be made.

But, anything that can be done to have the CWSP fund the program, even where it does require financial need, at least restrict the student to working only one term in a given year but to allow him to work more than one in a case where a student has two work periods in 1 year.

An arts and science arm to some place is needed, and most likely to the National Commission on Cooperative Education for collection and disseminations of arts and sciences data. Without these kinds of help a situation where only just a couple of years ago there were less than a handful of schools who did anything with arts and sciences cooperative education to any extent we now have probably 200 or 300 institutions where they are trying to do something with liberal arts, and they don't have any place to turn to to get information they need to develop their opportunities and programs.

Third, the Office of Education should encourage the Cooperative Education Association to organize along functional lines, which would promote equal treatment for the weaker elements in co-op, namely, the arts and sciences and the 2-year cooperative education institutions.

And especially and finally, I would urge the committee to consider ways to keep a State from inhibiting the growth of the cooperative education by not counting co-op credit hours as applying to the fiscal year equated student hours.

The State of Michigan is facing a problem now where the chairman of our department is not sure whether he wants to see cooperative education grow because any hours the student signs up for we grant credit hours for our program.

Those credit hours are very important because that is apparently a fiscal year equated student. In other words, each block of 30 hours you add another fiscal year equated student.

The legislature does not want to count any credit hours earned in the classroom, which would mean then that all the hours on a co-op development basis would not be applied on the kind of funds he would be getting from Lansing. That would not be helpful to the program.

Thank you very much, Mr. Chairman.

Mr. O'Hara. Thank you very much, Mr. Shea.

I want to, in the very few minutes that remain before the House goes in session, inquire about your experience. First, let me ask you how long have you been a co-op coordinator?

Mr. Shea. That will sound worse. I have been in 6 months.

Mr. O'Hara. How long has the University of Michigan had cooperative education on campus?

Mr. Shea. Fifteen years.

Mr. O'Hara. And have they been doing arts and science co-op the whole time?

Mr. Shea. That program was just instituted the 17th of December when I was hired this past year. They had it only in business and engineering.

Mr. O'Hara. We are going to have to look into that. I don't think you are the one to ask about this necessarily, but one of the things we are going to be looking into is a comparison of the two in terms of ultimate benefits.

You can say of co-op education, as you have said, that it has largely been involved with the scientific and engineering fields, the technical fields for the most part, up until now, and then those whose cooperative programs are largely confined to those areas can point to certain feedbacks from the work experience of the classroom, from the classroom to the work experience, and so forth.

They can then also point to a very, very high percentage of graduates who are employed in the field of their interest. They can also point to a very significant percentage of graduates who are employed with the actual employer, or one of the employers with whom they co-oped when they were students.

I don't know to what extent we can equate the experience of those co-op arts and science students. Does it provide the same benefits? I don't know.

Mr. Shea. Mr. Chairman, I expect the situation will be governmental units: State, municipal, counties, as well as the Federal Government that liberal arts students will find their principal source of employment.

The State of Michigan is a very large employer. They have a lot of people there. They have a big turnover rate. Based upon the discussions that we have had with our State civil service people, they feel within the context of certain limited numbers, I expect to be taking about 500 or so students a year within the State of Michigan, they could put these people on coop and expect to employ them in the department.

Mr. O'HARA. Under the civil service law in the State of Michigan they couldn't give any preference in hiring when they graduate.

Mr. SHEA. We had Mr. Norvel Trimp, who is Assistant Deputy Director on our campus to discuss how this can be done and the information they gave us at that time was that it was not the case.

In fact, what you are saying is they can't give them any preference when they finish——

Mr. O'HARA. That is to say, some of our other coop witnesses have said frequently one of our students is hired as a coop student by General Electric, or Honeywell, or somebody else, and he likes the company and they like him, so when he graduates, they hire him and he goes to them.

They cite a large percentage of their coop students who find jobs in that way. As I understand most civil service systems, they have rather detailed provisions about how you get a job, how you get on the register. You have to be on the register and the placement officer of the agency has to select from the top of the register, so forth and so on.

So, you don't have that kind of discretion in hiring.

Mr. SHEA. Mr. Chairman, whatever the problem there may be, the Federal Government has, through many of its agencies, a program of civil service where they take students on as coops and they are able to give those students points and this aids them in being retained.

In some cases through the Social Security Administration the student doesn't even have to take the Federal Civil Service exam when he graduates. If this can be done at the Federal level I am sure there isn't anything that absolutely doesn't prevent it from being done at the State level.

The problem is that in every instance like this it is harder in liberal arts cooperative education, but the need is even greater in terms of the numbers of students on campus who can benefit from the earnings in terms of the career orientation it gives to the field of education.

Instead of saying here is a problem, maybe we'd better forget about this funding arts and sciences cooperative education. My approach is, here is a problem, let's find a way to solve that problem. Let's find a way to open up civil service.

That is exactly what I am here to ask this committee to do, to encourage civil service to be an employer of cooperative education students. If we put all of our money into administrative machinery and none of it into job development then arts and sciences cooperative education, I think, will fail.

Mr. O'HARA. Mr. Shea, we thank you very much for your eloquent testimony on behalf of arts and sciences cooperative education. I think we will be hearing more about that and will be looking into that aspect of cooperative education as our hearings proceed next week.

I want to thank you very much for appearing before us.

Mr. SHEA. Thank you.

[Mr. Shea's prepared statement follows:]

PREPARED STATEMENT BY JOHN D. SHEA, COOPERATIVE EDUCATION COORDINATOR, COLLEGE OF ARTS, SCIENCES AND LETTERS, UNIVERSITY OF MICHIGAN—DEARBORN

> The partial use of Cooperative Education funding for the purpose of job development in the arts and sciences (under Title IV D of the HEA of 1965).

SALUTATORY

Mr. Chairman and Members of the Special Subcommittee on Education: My name is John D. Shea. I am Cooperative Education Coordinator in the College of Arts, Sciences and Letters of the University of Michigan—Dearborn. My college education was in the liberal arts: B.A. Michigan State University, 1964, and M.A. Eastern Michigan University, 1969. Like most students who choose to study in the arts and sciences, my orientation to a future career was mostly non-existent. Cooperative education was for students in engineering and accounting. What was left for the liberal arts student was time to think of answers for parents who could not figure out why someone would major in political science. "What was it preparing you to do?" they would ask. I did not have a good answer then, but today cooperative education can provide an answer if given a opportunity. (See Exhibit A.)

In those days I only saw things as they were and asked why (sometimes). Now as a cooperative education coordinator in an arts and sciences college, it is incumbent on me to dream things that never were and ask why not.

INTRODUCTION

A welcome new era is dawning in American higher education. Cooperative education is coming to the arts and sciences.

Seemingly due in large measure to the farsighted leadership of many in the U.S. Office of Education, the recent development of federal funding for cooperative education may become most helpful to current and future generations of college students, who because they haven't studied in the traditional fields such as engineering and business, have not had the advantages of the work-study approach through the years of their college education.

One of these advantages is the money earned by students on a full-time, semesterlong co-op assignment. The cost of a college education is zooming and co-op can provide part of the answer; especially for middle income students who have little recourse to financial aid programs. (See Detroit News editorials Exhibit B and Exhibit C.)

PROBLEMS

The following paragraphs try to briefly summarize some of the problems which encumber the development of cooperative education in the arts and sciences.

It can be argued that precisely because the arts and sciences are not as obviously career oriented as the fields of engineering and business the value of co-op education to these fields is even greater. Of course, career orientation is not the only rational that strongly justifies co-op education, but in the arts and sciences it offers a most meritorious approach to bridging the traditionally troublesome gap between a generalized program of study and the specialized world of work.

It must be said, without hesitation, that the courses of study commonly referred to as liberal arts, should not be apologized for because of their generality.

First, such generalization probably makes a vital contribution to the quality of American life. Second, because many of the undergraduate programs in the liberal arts are general in nature, is not to say that the development of useful skills is absent from the curriculum. Charles Christian, an outstanding member of the personnel department of the Ford Motor Company, states that what skills industry looks for in college graduate applicants are the following: (1) communication skills, (2) analytical skills, (3) interpersonal skills.

Most liberal arts curricula offer these skills. Much of the fault for such as unclear understanding of the mutual compatibility of a general course of study with the development of usefull skills must be assumed by higher education itself. The following factors contribute to this dilemma.

(1) At the undergraduate level, too much attention is given to the student as a history major or English major, etc. Generally, a college requires that two-thirds of a four-year program be devoted to courses outside the student's area of concentration. At the graduate level, the study plan may be very specialized, but at the undergraduate level it is most misleading to refer to students in terms of narrow specialities. At this point they are students of a broad area of subjects which facilitates the development of the above mentioned skills.

When approaching business and industry, the liberal arts co-op coordinator sometimes faces a certain degree of incredulity aptly summed-up by the employer's question: "But what can an English major do?" To cope with this, colleges have a selling job to do. It will best begin with a supplemental organization of their own arts and sciences curricula along the lines of communication, analytical and interpersonal skills.

(2) In addition to refacing its existing curricula, colleges adopting cooperative education alternatives must stimulate on the part of their faculties an understanding of and hopefully an appreciation for the need for development of greater career orientation in arts and sciences programs. It is very definitely not something to be done "to" faculties, but it is something to be done "with" faculties.

There is much faculty antipathy for the vocational orientation in liberal arts baccalaureate degree programs. The desire not to dilute the direct faculty-student relationship as it exists in the classroom is of the highest value to faculty—and appropriately so. The idea that the classroom is a place where the "theoretical" is dealt with but not the "real" is more representative of the critics biases than of the classroom itself.

Hopefully, however, within a four-year program enough leeway can be seen to allow a percentage of the student's academic requirements to be met through study-related and/or career-oriented work assignments. The tendency to dichotomize along "either-or" lines must be resisted. (Either the "academy" or the "vocational education" program.) A four-year college program can have both the classroom and the employer's workroom and be better off for it.

(3) In addition to the problems arts and sciences co-op coordinators face with respect to faculties concerned about the diluting of traditional curriculums through work-study programs, and the task of convincing business and industry that liberal arts students do in fact acquire skills, there is the further problem of just where the co-op coordinator turns to find the help needed to make liberal arts co-op work.

For the second year according to the Office of Education about 60 percent of the co-op applications funded by the Office of Education have been for liberal arts programs. Also, through this same period of time co-op programs in engineering and business have been, in every instance I know of, 100 percent successful in placing their student applicants in jobs. Given these two facts one would think that what support services were being rendered to cooperative education would be weighted in favor of the arts and sciences. Such is not the case. The field of co-op that needs the most help is getting the least. For example:

(1) Coordinator training sessions for those new to the field, conducted at various universities designated as regional training centers, are not offering arts and sciences coordinators much of the special information they need.

(2) A current series of employer recruitment conferences being held in a number of American cities and sponsored by the National Commission on Cooperative Education is directed mostly at employers who will be interested in engineering and business co-ops. It is understandable as the number of universities with co-op programs increases, as it has in the past four years from less than 200 to between 700–800 institutions, that the resulting competition might ultimately reduce the percentage of technical student applicants placed in jobs from 106 percent to 90 percent. However, conducting a national recruitment effort aimed at this market without at the same time recruiting those employers who might be interested in arts and sciences co-ops so as to achieve at least a 40 50 percent placement ratio is contributing to the dilemma faced today by this field.

It was reported at a training conference that one of America's major co-op universities while succeeding in placing 100 percent of its engineering and business co-ops in study-related jobs, it was succeeding in placing only 65 percent of its arts and sciences students in co-op jobs, and that a certain percentage of those placements were not in study or career oriented activity.

These remarks are made not to cast aspersions on anyone's co-op program. Technical co-op coordinators will admit that the coordinators who work in the arts and sciences areas have a much more difficult task. The percentage of success they have, whatever it is, can be attributed to strong dedication and perserverance.

The graph titled A Comparison of Business/Engineering and Arts and Sciences Co-ops by Percentage Employed by Government and Non-Profit Employees (See Exhibit D) demonstrates one very important way in which co-op in the arts and sciences differs from that in engineering and business. Government and non-profit agencies are likely to be major employers of arts and sciences co-ops whereas the technical co-ops find their major assignments with industry and business. In all but a few areas of the country where universities with co-op programs in the arts and sciences have been active for a long time, arts and sciences coordinators will be approaching potential employers who have had little or no experience with co-op.

Not only will this be virgin co-op territory, but at the same time these employers are going to find themselves beseiged by a multitude of universities, encouraged by federal grants, seeking co-op placements. The infusion of grant money would make co-op placement a whole new ballgame even if the government, non-profit employers were experienced in co-op—which they aren't.

One exception should be noted here. The federal government currently is employing some 6–7000 co-ops. It is interesting to note that while arts and sciences students usually make up 50 percent or more of a university's enrollment, they constitute only 17% of the total co-ops employed by federal government agencies (See Exhibit E). This is based on comparing the cumulative group totals on the graph under each "Occupational Group" with a check mark above it, to the cumulative group totals for all the "Occupational Groups."

Hopefully, this foregoing analysis of some of the problems mostly unique to arts and sciences co-op has established a background for why the federal government would be asked to stimulate job development in arts and sciences co-op when such stimulation hasn't been necessary for co-op success in engineering and business.

The state of the art in arts and sciences co-op is demonstrably very underdeveloped compared to engineering and business co-op. Perhaps a more cogent explanation is simply that in most cases arts and sciences co-op prospects represent fields of study where the supply of graduates is plentiful. Whereas, in the technical fields, supply of graduates seldom exceeds demand.

If co-op education's sole justification was its marketability then arts and sciences co-op would have little to recommend it for the most part. Of course such is not the case. The following reasons provide the rational for why it is sound policy for the federal government to promote the use of arts and sciences co-ops.

(1) The Carneige Commission Report on Higher Education recommended the development of "more options" at the university level. Co-op is one of the best options a student can choose because it provides him with:

A. *Study advantages.*—A laboratory environment in which to evaluate classroom learning.

B. *Career advantages.*—No longer will the arts and sciences student have to apologize for his generalized course of study in terms of how it prepares him for a career.

C. *Personal growth advantages.*—Full-time work experience can contribute to a greater sense of responsibility, heightened confidence in one's own judgments and refined human relations skills. These experiences tend to increase one's sense of maturity.

Usually, co-op students are more positively motivated in their future studies by their work experiences.

D. *Earnings advantages.*—Of considerable importance to many students is the fact that income from co-op work assignments can provide a considerable portion, if not all, of the costs of the last years of college.

(2) Manpower needs especially of government employers at state, county, and municipal level can be aided by cooperative education.

The director of the Department of Management and Budget in the state of Michigan states that state agencies are hard pressed to meet their affirmative action employment goals, as well as to retain arts and sciences graduates in general who often take civil service exams as a last resort and then leave government after a period of time with the resultant loss to government of time and money invested in training.

It is for exactly these same reasons, better recruitment and lower turnover rate, that business and industry have for years thrived with co-op—albeit mostly limited to engineering and business co-ops.

There may be a sufficient supply of arts and sciences graduates, but recruitment problems remain.

By making use of cooperative education, especially as it relates to arts and sciences co-ops, government employers can make a positive impact on these problem areas. The federal civil service indicates statistically that recruitment is greatly aided by co-op. The State of Florida with the only successful program at the state level in the nation has preliminary statistics to indicate that co-op positively affects recruitment.

The situation now, however, is that with the combination of government employers, especially at the state level, having little previous exposure to co-op, and with the overnight growth of co-op from 160 to 800 institutions there could develop a great inbalance between the supply of jobs and the demand for jobs which could be damaging to the future of arts and sciences co-op.

RECOMMENDATIONS

1. Within the next year or two the demand from arts and sciences co-op coordinators for co-op jobs may grossly exceed the supply. The result might be the failure of a few hundred demonstration grant programs in the arts and sciences. Some federal funding directed toward job development as well as campus administrative machinery is needed to bring this supply/demand picture into a more successful balance.

The current funding through Title IV of the HEA of 1965 of 10.75 millions is being directed entirely toward establishing administrative machinery on college campuses.

2. Any future Title IV cooperative education funding should make 15 percent of the total funds appropriated per fiscal year available to offices designated by state, county and local governments, which in turn should use these funds as partial reimbursement to departments and agencies of government and other private, non-profit service institutions, which hire cooperative education students on a full-time, full-pay basis.

3. The amount of money available per student should be set at 20% of the established salary for the co-op job. But it should not exceed in any case, $1,600 per student on a yearly basis.

4. At the state level the department likely to administer such a program might be, but not limited to, any of the following: Executive Office of the Governor, Department of Management and Budget, Office of Higher Education, or the Civil Service Department. Circumstances in different states might dictate different departments.

5. At the county or municipal level, one agency might be designated to coordinate all local "co-op reimbursement" funding. Such an agency in many metropolitan areas of the country would be the area "Urban Corps" affiliate.

Urban Corps currently makes a most successful effort recruiting study-related jobs for students with government and non-profit agencies, as well as students for the jobs. Unfortunately for a student to be eligible for placement through Urban Corps, he/she must be eligible for the full amount of financial aid available through the College Work-Study Program.

Because of this limitation, scores of highly study-related jobs go unfilled, while at the same time scores of co-op education applicants go without jobs because they can't qualify as middle income students for CWSP financial aid.

Urban Corps could continue to administer the CWSP plan while also handling the "co-op reimbursement" program.

6. This money should be made available on a "demonstration" basis for a period not to exceed five years. It will take that long for such large prospective arts and sciences co-op employers such as state governments to evaluate the effectiveness of co-op as a recruiting tool as well as its other values.

7. The intention of this funding would be to encourage those types of employers who might provide large percentages of arts and sciences co-op jobs (government and private non-profit service institutions).

EXHIBIT A

[From the Detroit News, May 1, 1974]

NEW JOB PROGRAM AIDS ARTS STUDENTS

(By George Bullard)

Last summer Judith Macek was taking orders at a hamburger stand, sometimes dressed as a clown for the kiddies.

That was all right, except that Miss Macek is a senior in sociology at the University of Michigan-Dearborn and clowning around had little to do with being a sociologist.

She wanted work related to her studies.

Enter Jack Shea, administrator of a new cooperative education program designed especially for liberal arts students at the U. of M.-Dearborn.

He lined up a research and editing job for Miss Macek with Gale Research, Inc. of Detroit, a publisher of reference books. That's closer to her academic interests.

Cooperative education programs have been around since the early 1900's, but most are geared for engineering and business students.

They're designed to mix on-the-job training with a college student's studies.

Shea said liberal-arts students are left to fend for themselves in finding jobs, except for aid programs in a handful of schools around the country.

"The question always asked is, 'What can a liberal-arts student do?," he said. "Even schools that wanted to help found some hard to place."

Shea sees possibilities in placing them with several government research and social agencies, pending arrangements with civil service boards.

He's working on that. Meanwhile, he's hit the pavement to sell the idea that liberal-arts students and businesses have something to offer each other.

"Mr. Shea just walked in off the street one day and really struck a chord with what we need," said Margaret Fisk, managing editor at Gale's.

"We were contracted to take one student, but Shea brought two applications and we took them both. It was serendipity on both sides."

Gale's offers the student as much education as it does employment, Mrs. Fisk said.

"The education is in the experience of helping research and put together a book," she said.

For 19-year-old Judith Macek, it's a great job and certainly beats hawking hamburgers in a clown costume.

EXHIBIT B

[From the Detroit News, Mar. 26 ,1974]

MIDDLE INCOME FAMILIES HIT—COLLEGE COSTS ZOOM

The cost of a college education will take another leap upward this fall—rising on a national average of 9.4 percent. With the increase, the cost of keeping a student on campus will have gone up 34.8 percent in four years.

Something tragic is happening. Quite rapidly, higher education is becoming one of our most serious national calamities. At the center of the problem is the use of the nation's human resources. The country seems to be failing young people.

The College Entrance Examination Board surveyed 2,200 educational institutions and plotted the rate of increase in costs for this fall. It found the price for one academic year for a student living on campus in a four-year private college will average $4,039 next fall, up $346 from this year.

More alarming still is the statement of the board that next fall the cost of maintaining the commuting student living at home will be almost as great as for the student who goes away from home to live on campus. This development strikes hard at families of moderate income trying to put a student through on their own resources.

At the same time, through tinkering that has often been unfair, the scholarship and student loan systems have been denied to hundreds of students who would have qualified for such aid a decade or more ago. Here in Michigan, for example, a fully employed auto worker makes too much money—according to the bureaucrats—to qualify his son for a student aid loan. And that is patiently ridiculous.

It is becoming clear that something must be done to help middle income families get their children through college, when those children merit higher education on the basis of their scholastic standing.

Student aid loan systems must be overhauled. We cannot permit inflation to run up costs to the student and, in the same breath, leave income ceilings where they were years ago if those ceilings are to be used to deny a loan.

We must explore innovative ways to get around the family's education bill. Antioch College in Yellow Springs, Ohio, has developed one alternative, the cooperative program. Arrangements are made with industry and students alternate between academic and work experience terms. During work semesters, they earn while they get worthwhile practical experience in their field of study.

Berea College, in Berea, Ky., requires that its students work in college-owned craft shops and a hotel for a specified number of hours per week. They earn and learn and their products are sold to pay some of the bills. Far from being a sweatshop, Berea has inspired an enthusiasm in its students not often seen today.

Antioch and Berea tell us that there are alternatives waiting to be developed by people who really want to attack the cost of education. We can no longer afford to pass them by.

Neither can America, as a nation, afford to ignore the plight of bright young people who ask us for the opportunity to develop their minds and skills without impoverishing their parents in the process.

EXHIBIT C

[From the Detroit News, Apr. 20, 1974]

CO-OP PLAN FOR STUDENTS

Co-operative education, one of the most promising alternatives available to help young people through college, should develop at an "explosive" rate on campuses in Michigan during the next 12 to 18 months. A 900 percent increase in federal funding has been pledged to make that happen.

However, those who are engaged in developing the programs say the development depends on whether state government, through the Michigan Department of Civil Service, will pick up the idea and do a job with it.

Under a co-operative plan, the university and an employer make an agreement to place students in work situations related to their studies. "Co-opers" alternate between school and work, semester by semester, and during work semesters make enough money to meet major expenses for their study terms.

Co-operative programs are not new in this state. The University of Detroit was the first to use the idea in 1910. The University of Michigan-Dearborn campus, mainly a commuter college, also has utilized this tool as a means of helping young people of low income families through college.

The objective goes far beyond financial aid. Study for co-op students takes on a new dimension—practical work experience in the job world. At graduation, these students have a work record and references which may be checked. Rarely do "co-opers" have problems finding jobs. All of them know what they are going to do with their degree.

Participating companies discovered long ago that co-operative education is a first-rate recruiting tool. They get to know their co-op student, just as the student gets to know the company. And at graduation, the company that hires a "co-oper" knows what it is getting.

Co-operative education is a program in which everybody wins and nobody loses and it ought to be encouraged. The federal government recognizes this as the one remaining source of aid for middle-income families facing insurmountable educational bills. This year, federal aid for staff work to develop co-op programs is increased from $1.5 million to $10.7 million. The majority of Michigan universities are now trying to qualify for aid.

If co-op education is to succeed on a broad basis, the state must become deeply committed to it. Those who are trying to develop co-op programs claim their efforts will fail unless state agencies take students and make practical use of their talents.

If the state offers leadership, counties, cities and industries are certain to follow. The state ought to accept the challenge and respond fully—for the sake of all our bright, promising young people.

A COMPARISON OF BUSINESS/ENGINEERING AND ARTS AND SCIENCES CO-OPS BY PERCENTAGE EMPLOYED BY GOVERNMENT AND NON-PROFIT EMPLOYEES

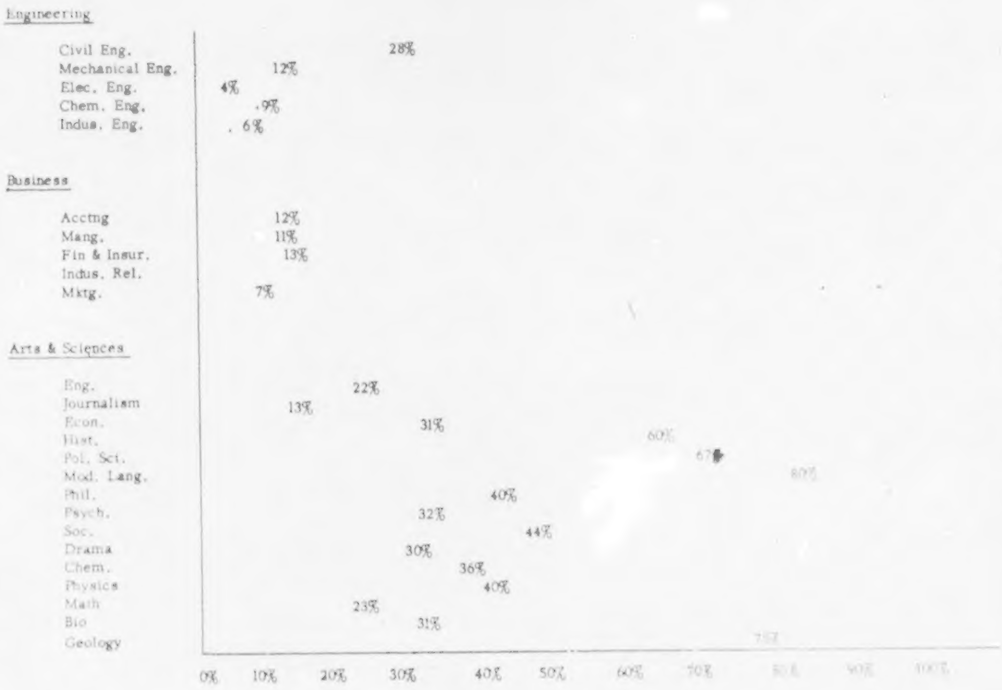

Exhibit D

TABLE 2

COLLEGE-LEVEL COOPERATIVE EDUCATION STUDENTS EMPLOYED BY FEDERAL AGENCIES - BY OCCUPATIONAL GROUP

FY 1973

OCCUPATIONAL GROUP	Miscellaneous	Social Science, Psychology, & Welfare	Personnel Mgm't and Industrial Relations	General Admin., Clerical, and Office	Biological Sciences	Accounting and Budget	Medical, Hosp., Dental, Public Health	Engineering & Architecture	Legal and Kindred	Information and Arts	Business and Industry	Physical Sciences	Library and Archives	Mathematics & Statistics	Equipment, Facilities, & Services	Education	Investigation	Inspection and Grading	Supply	Transportation	Other
GROUP NUMBER	000	100	200	300	400	500	600	800	900	1000	1100	1300	1400	1500	1600	1700	1800	1900	2000	2100	-
GROUP TOTALS	214	301	124	576	136	1193	24	2209	10	23	189	293	45	213	9	6	94	13	35	48	130
AGENCIES																					
Agriculture				4	39	1		24			11	40		2							
Air Force		2	28	4		32		202			35	10		26		5		9	14	2	34
Army	5	1	5	16	5	20		280			1	36	2	18	2				4	1	
Commerce		4		7	45	7		41	14			35	26	34							
Defense, Sec'y of				2																	
Defense Communications				3										1							
Defense Supply Agency	5	4	11	45		28		6			34	6		2				3	5	2	
Defense Nuclear Agency				2																	
Navy	2	4	12	37	2	33		716			4	38		36	7	1					
HEW	23	211	6	305	7	13	4	3	7			7		7							
HUD		1		13				3													
Interior	12	37	9	23	28	3		48		8		18		2							3
Labor		9	1																		1
Transportation		6	2	24		7		116				21		32						43	
Treasury	22	5		18		877			1		75	1					94				
Atomic Energy Comm.				1		4		11													
CIA		*		*				*				*		*		*					
Civil Service Comm.	4		23																		
Civil Rights Comm.				2																	
EPA	8			4	3	1		28		2		15		1							
Farm Credit Adm.		1																			
Fed. Deposit Ins. Corp.				15		111															
Fed. Communications								3													
Federal Trade Comm.	1																				
General Acc't. Office						5															
Gen. Services Admin.			2	10				22		12	9		16					1	11		
Gov't Printing Office																					6
NASA	101	2		30	7	47	12	526	3	1		66		49							82
NLRB			1																		
Nat'l Security Agency								78						3							
OEO		2	4																		4
Small Business Admin.						1															
TVA								90			20										
Veterans Admin.		12	2	11		3	8	12	5				1						1		

* Students employed in this occupation.

1790

966

5675

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EXHIBIT E

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Mr. O'Hara. The subcommittee will now stand in adjournment until Tuesday morning, at which time we will conclude our hearings on the work component of title IV.

[Whereupon, at 12 noon the subcommittee recessed, to reconvene Tuesday, May 21, 1974 at 9:45 a.m.]

STUDENT FINANCIAL ASSISTANCE

(Work Programs)

TUESDAY, MAY 21, 1974

House of Representatives,
Special Subcommittee on Education of the
Committee on Education and Labor,
Washington, D.C.

The subcommittee met at 9:45, pursuant to recess, in room 2267, Rayburn House Office Building, Hon. James G. O'Hara (chairman) presiding.

Present: Representatives O'Hara and Dellenback.

Staff present: Jim Harrison, staff director; Al Franklin, counsel; Elnora Teets, clerk; Robert Andringa, full committee minority staff director.

Mr. O'Hara. The Special Subcommittee on Education will come to order.

Today marks the last of our hearings on the work component of the student financial assistance package. We have been taking testimony for over a week now on college work-study and cooperative education, and we have witnessed a seldom-observed wide-scale unanimity about this subject.

The institutions, the students, employers, the U.S. Chamber of Commerce and the AFL-CIO have all sung the praises of the concept of student work as a central aspect of student financial assistance—and, indeed, as more than that, as a central aspect of a well-rounded educational experience.

It is too early to predict with certainty what this subcommitte will recommend when we have concluded our hearings and our markup sessions. But I think the things we have heard said about work-study and cooperative education in the past few days suggest that these programs will at least be seriously considered for a more prominent place in the assistance mix than they have enjoyed up to now.

Today's first witness is Dr. Kenneth T. H. Brooks, director of cooperative education for the American Association of State Colleges and Universities. Dr. Brooks is a member of the staff of the University of Maine.

Dr. Brooks, if you would please take your place at the witness table, we would very much like to hear from you.

STATEMENT OF DR. KENNETH T. H. BROOKS, DIRECTOR OF COOPERATIVE EDUCATION, AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES

Dr. BROOKS. Thank you, Congressman.

I think your preliminary statement summarizes quite adequately the attitudes of the American Association of State Colleges and Universities in support of cooperative education, so, for my part, if I may, I will dwell on six recommendations that are included that start on page 6 of my written testimony, and simply review these very quickly and make some brief comments in regard to them.

I might add that I suspect that I am here representing the American Association of State Colleges and Universities because I guess I hold the unique position of having the experience of both being a college president under an institution that was a charter member of AASCU and also as a State director of cooperative education.

My six recommendations are as follows:

First of all, I feel that the period for the feasibility studies and the implementation of new programs should be increased from 3 to 5 years. Certainly, the directions that we are moving in the future in cooperative education are to bring in more and more of the liberal arts students.

Our emphasis has been in the past primarily on business and engineering. Liberal arts, I think, are known, or the faculty are known for not moving quite as rapidly on curriculum changes as other faculties. Job placement for liberal arts graduates is much more difficult than for the persons with the vocational skills.

Therefore, I am concerned that we might be moving into programs in the liberal arts particularly and many of them will fall by the wayside unless we do increase this to 5 years.

I couple that recommendation, and the two must go together. I couple that recommendation with the suggestion that grants should be made to institutions on a declining scale. The first 2 years they should be fully funded-and then be reduced at the rate of 25 percent a year for the next 3 years. This enables an institution to phase into the program of cooperative education. Using the University of Maine as an example, we have the maximum grant at the present time of $75,000. And at the end of our prescribed period of time of our grant it will be necessary for us to come up with $75,000 to continue the program at its level of operation.

Of course, what goes with this is the assumption that the original level of funding must be maintained by the university.

My third recommendation is that we increase substantially the maximum that is allowed for consortiums. I think there should be encouragement given to groups of institutions coming together in cooperative education.

Section 452 suggesting or allowing a maximum of $75,000 for individual institutions, I think, is adequate.

Let me tell you just very briefly a little something about the University of Maine's program because it is somewhat unique. We have funded as a single university with seven campuses involved in cooperative education. We approached this from the standpoint of cooperative education being primarily an educational activity. Through the Federal funds that we have available, we have a coordinator available to each campus of the university and this person is assigned to the vice president of academic affairs for matters relating to that particular campus. It is his responsibility to develop cooperative education programs on that campus.

In matters that are Statewide, and we have geographically zoned the State into regions, the coordinator reports to me as the State Director of Cooperative Education. We have established or are in the process of establishing a centralized computerized job bank, that every job that is made available, whether it is discovered or found within the States for cooperative education students, is fed into the job bank and is open on a competitive basis to every qualified student on every campus within the university.

One of the things that this does, of course, is relieve the pressure on employers from having seven different coordinators visit the same business or same industry trying to find jobs for cooperative education students.

I am concerned as this program grows in the years ahead that what we are going to find is some employers perhaps who are going to be turned off from cooperative education because of the pressures that are growing from large numbers of institutions.

So, generally, I place a good deal of emphasis upon the legislation encouraging the development of consortiums and I think one of the ways this could be done of course is to increase the maximum that is allowed to institutions coming together for that purpose.

As an aside, I would indicate also that I think this recommendation is consistent with your 1202 concept.

My fourth recommendation is that we increase the flexibility in the programing and specifically what I recommend is that we delete from section 451 the statement, "that alternate periods of full-time academic study with periods of full-time employment"—well, the pattern of college attendance, as you well know, is changing rapidly. Students are stopping in and stopping out. They are going part-time. They are working full time and attending part time. There are all kinds of pattern that students are developing.

Cooperative education is changing, too. It is not, as it was strictly conceived in its original founding, but there are many different and exciting approaches to cooperative education. The two ingredients that are in section 451 that I consider of major importance, and that identify cooperative education, are, first, it gives the student a chance to earn money, and, second, it is related to the student's area of study.

Both of those are included in section 451 and I recommend they be retained, but we allow for greater flexibility in the amount of time that a student works and the periods of employment.

Recommendation 5, I support increased appropriations, and I think there are people who are much better qualified than I am on this, and I say I am comfortable with the national recommendations but I see the figures that are, figures of the institution that are interested in coopertive education.

I see the numbers of institutions that are being denied the opportunity to become involved. I think that this very important and worthwhile program needs additional support.

We have just completed, the university has just completed the training grants of 25 institutions in northern New England and we were filled to capacity. Of the 25 institutions only the University of Maine and St. Francis College in the State of Maine had representatives that were involved in cooperative education. All others are interested and want to become involved.

Of course, if you support the latter two recommendations, the need for accountability becomes intensified. That is, if we increase flexibility of programing and the increased support of the appropriations, then this cry for accountability is important.

So, my final recommendation is that in the research money, a substantial sum of money be established to develop a standardized method of evaluating cooperative education programs along the way. I recognize dangers in this and I am not talking about the accreditation of cooperative education, because I personally am opposed to a separate accreditation for a cooperative education program, but I do believe that we need to get at the task of determining whether or not the programs, one, meet the needs of the institutions as they are defined and the needs of the students particularly as they are defined in our institutional programs. So I strongly recommend that an emphasis be put on some money to be set aside for this specific purpose and a form be developed on a nationwide scale.

Thank you very much.

Mr. O'Hara. Thank you very much, Dr. Brooks.

One comment that has been made by earlier witnesses that I noticed you did not make, and I am wondering why, is this: We ought to prefer in applications under the cooperative education provisions of the law those institutions which want to get into it in a pretty big way, they want to make a real institutional commitment to cooperative education. The only complaint was made that a fairly large share of the program now consists of very small programs at institutions that involve a half a dozen or one dozen students or something of that nature and some thought has been expressed that we would achieve more if we gave a priority in our funding to those institutions that really appear to be ready to make a substantial commitment, educational commitment to cooperative education and not just have it as is.

Dr. Brooks. Yes. I think I understand your point. I think that is implied in my last statement in regard to accountability, but I do stress I think of far more significance is the quality of the program. I spoke in terms of objectives of the program. Of far more significance is the quality than the number of students involved. I do think in cooperative education we tend to measure our success in terms of "How many students do we have involved in cooperative education?" rather than "What is the educational value of this particular program and is it accomplishing what it sets out to accomplish?"

Mr. O'Hara. Well, I didn't really understand the scope of that last recommendation of your testimony, because I agree thoroughly with that.

You know, I am not disturbed really by the fact that co-op has mostly been in engineering and scientific and technical fields, nor does it disturb me if the new co-op is mostly in those same fields, because indeed we have not anywhere near exhausted the possibilities in those areas where the advantages of co-op are more readily apparent than they are in the liberal arts end of it.

So, it does not really trouble me, that if you put money into developing more co-op opportunities in business, engineering and technical and scientific fields, those are certainly the easiest areas in which to develop them.

Well, that is okay with me. I don't mind doing the easy things first before I do the hard ones. But I think what we ought to insist on is we go first toward those with the greatest promise for being a real live effective co-op program and if those happen to be the larger programs and if those happen to be more in the traditional co-op field, I think that should not bother us. I would like your reaction to that.

Dr. Brooks. My reaction is one to philosophize a bit, I guess, which I try to refrain from doing. I just am concerned about the tendency, the directions that we are moving in higher education and I guess my concern is moving from a State college to cooperative education.

Perhaps I am caught in the transition personally. But our trend to narrow specialization and the leaders of our business and industries in the past are coming from the liberal arts colleges and I think the value of getting liberal arts people exposed to the world of business and industry, in getting those people involved in cooperative education is of tremendous importance for the future of this country.

I think of my own area, the city of Portland, for example, the community leaders in our banks and in our businesses and so forth are products of liberal arts colleges. Well, maybe it is the challenge I enjoy, but I am just pushing all I possibly can to move our students in liberal arts into cooperative education.

I don't argue your point, that business administration and engineering are the productive fields. We do have programs on two of our campuses and we started there, because these are the people that then go out and talk of liberal arts graduates and say, "Hey, come in and get in on this, it is really worthwhile."

But there are a lot of excellent small private colleges. In my own State, Bates, Bowdoin, and Colby, for example, I would like to take on the challenge of getting cooperative education into these potential leaders.

Mr. O'Hara. You see it is easier to get yourself a quality program in something that you know lends itself more easily to cooperative education than liberal arts, so I just say these two things are not entirely consistent.

I see advantages, I really see an advantage toward what you and I are both talking about, more career orientation in the liberal arts.

Dr. Brooks. Exactly.

Mr. O'Hara. This is something that would help in that direction.

Dr. Brooks. Right.

Mr. O'Hara. But at the same time I think we have a vast potential in those areas that are most easily adaptable.

Dr. Brooks. No question about it.

Mr. O'Hara. I really enjoyed having your testimony. I think your six recommendations are apt to be taken as sort of the text from which we may operate when we actually get going on this and I appreciate your coming before us.

Dr. Brooks. Thank you very much for the time, sir.

Mr. O'Hara. Thank you. Our next witness is Dr. Harold Enarson, president of Ohio State University, one of the great land grant institutions in the United States. I had the opportunity to meet Dr. Enarson at his institution last December and we had a very interesting conversation, interesting to me, anyway, and I came away convinced that he was one I would like to hear from during our hearings and I am very pleased that we have an opportunity to hear from him on these programs in which I am so interested and in which I think there is such grant potential.

Dr. Enarson has already convinced me of his boundless good judgment and understanding by inviting me out to make a commencement speech at Ohio State.

Dr. Enarson, we would like very much to hear your thoughts on this subject now.

STATEMENT OF DR. HAROLD ENARSON, PRESIDENT, THE OHIO STATE UNIVERSITY

Dr. ENARSON. Mr. Chairman, it was an honor to have you at Ohio State University even though you suffer from a certain localism with respect to football.

My name is Harold Enarson, president of Ohio State University and formerly president of Cleveland State University, Cleveland, Ohio. I say that because there is some irony in my appearing here today, Mr. Chairman. I represent at the moment an institution which, although it is the largest university in terms of enrollment in the Nation, is in the backwater with respect to cooperative education.

I came from an institution, Cleveland State University, which had been converted from Fenn College and which had been co-op all the time. So I speak both with full awareness of what a co-op can do and also with some awareness of the difficulty of promoting it in a large campus.

I would like, if I may, to speak this morning quite briefly about twin issues: the work study program and cooperative education. These are programs that were invented right here on Capitol Hill.

May I first speak to the work study provisions of title IV—because the interpretations of the Office of Education of the congressional intent give those of us at Ohio State University considerable concern.

The work study program is an excellent program in all respects. Students need work and money; universities have jobs to be done. Students learn as they earn—to the advantage of everyone. Now, work for pay is the best of all student aid programs in that it is natural, honest, forthright, and the work provides the necessary dollars to pay for college education. It is all absurdly simple. But the congressional purpose has been distorted so that the program looks to students as if it were—to put it bluntly—simply absurd.

In its administration, the work study program suffers in my judgment from two major defects. First, it is underfunded in the light of student need for employment and for wages. To sharpen the point for you, at the Ohio State University, to give you an illustration—our allotment in cold cash fell from $1,189,000 in 1971–72 to $1,080,000 for 1973–74.

As the need for jobs and wages has increased, our capacity to help our students has diminished; we march backwards—with deep reluctance. Incidentally, we requested $1,615,000 that we thought we could use to advantage and were told that the panel for region 5 had approved that.

Second, the work study program is artificially constrained in ways that I, for one, doubt that the Congress ever intended. And I hope I can make this plain to you because I am not sure I understand it myself, which is also a handicap.

Mr. O'HARA. I had to explain it to one of our witnesses the other day.

Dr. ENARSON. Good. You may have to do it again.

Mr. O'HARA. It was news to him. He thought you could keep students on at another job, but go ahead. I want to get this on the record.

Dr. ENARSON. The Office of Education imposes what I call a "Catch-22" guideline which is called "Overawarding." That is a lovely phrase. As I understand it, the university financial aid officers must calculate a total "needs package." If a student bumps against the ceiling of his computed needs, the university cannot allow him to continue earning at any job within the University even if no Federal funds are used in his overearnings. I might say, parenthetically, it is this kind of rule or regulation that contributes to the cynicism you see so frequently among students. It is, I repeat myself, a "Catch-22" rule.

Now, to shift to a program for which frankly I have even greater enthusiasm, cooperative education. I would like, Mr. Chairman, parenthetically again, to rewrite this statement in my mind as I heard Dr. Brooks' excellent statement. And I would like to associate myself, if I may, with those six recommendations, because I think they go to specifics in a way that my comments do not.

But I would like to say, and I will put it as simply and as cleanly and as clearly as possible, that cooperative education is a great idea whose time has finally come. You may wonder as I have why cooperative education, which was launched 60 years ago at the University of Cincinnati, has languished so long in the footnotes of higher education.

I think it is unarguable that its growth has been slow and it is unarguable in the last 4 or 5 years, with the stimulation of Federal grants, cooperative education has begun to take hold.

Now, the reason for the failure of cooperative education is rather painful to talk about. In my judgment, the root cause is the inflexibility of conventional higher education. Our bureaucratic system, and I don't care if you are talking about Ohio State University or any land-grant institution or major State-assisted university, has reflected a rather simplistic view of students.

Conventional wisdom is that students come to campus in the fall at age 18, they attend full time and they graduate 4 years later. The simplistic, unstated, unexamined premise is that formal instruction is all-important; and the reverse of that is that work is and can only be a distraction.

All of this is patent nonsense. It is precisely such nonsense that crippled the growth of cooperative education. The typical faculty member, and I speak as one who tried to persuade my colleagues, simply does not see and understand the importance of what I like to think of as the interlacing of classroom instruction and work on the job.

Cooperative education is about to come of age because of a combination of forces that have only recently both emerged and begun to come together. I listed, Mr. Chairman, eight of the items. Some of them I think overlap as I reread it this morning.

First, the student disillusion. It is hard to measure, but nonetheless real with the standard academic program.

Two, a student distaste for lockstep programs that force attendance year in and year out right on up to graduate work if necessary, without variety and the opportunity to test career preferences in the world of work.

Three, student hunger for reassurance that comes only with real work.

Four, the student desire for, and the need for, earnings and dignity, and status that go, here in the United States, with an honest-to-God job.

Five, student desire for the promise, and indeed the hope, of a permanent job at the end of the trail.

Six, and perhaps this is wishful thinking on my part, an instinctive desire of a growing number of students not to be part of an unnatural youth ghetto, with its passions, absurdities, and obsessive self-centeredness.

Seven, a growing conviction of at least some educators that work and formal study are natural companions, each reinforcing the other with a combined rhythm that creates the true excitement of effective learning.

And eight, I hope this is not also wishful thinking, a rapidly growing belief of the business community that cooperative education is an excellent method of attracting and retaining talented young people.

I repeat—the national mood is responsive as never before in our history. Congressional investment is stimulating wise investments in human development. We now need to move from general interest in cooperative education to much more active stimulation and sponsorship. Until very recently I served for 6 years as president of Cleveland State University, formerly Fenn College, a university which had cooperative education as the big feature in its program.

I knew nothing of cooperative education until I came to Cleveland—except what I read literally in the footnotes of higher education literature. In Cleveland I saw firsthand what cooperative education meant to students, to the business community, and to the university.

In literally hundreds of conversations with students and with graduates of coop programs I learned firsthand of the great advantages of combined work and study. The most eloquent testimony I have ever heard—and I guarantee your committee will ever hear—comes from individual students and graduates on the great values of coop study; from those who have experienced it.

The student learns confidence in himself—I, for one, was astonished to sense the depth of insecurity of the typical student. I should add that in Cleveland many of our so-called ethnic students were first generation college students and they had all the innate talent and ability that the Lord gave any group of people. But they had very little confidence in themselves.

I think we can learn in reading the reports from employers and from the coop coordinators. I was constantly struck by seeing over and over again "lacks confidence"; and then read 3 months later "has gained confidence." I found that very interesting.

Some students are confirmed in their judgment as to their first choice of career, whether it is a job in production or sales or in a newspaper office or a welfare agency. Others discover, and they discover in time, that those first career choices were castles made in the sand.

I asked myself, what better way is there to refine choice and test career possibilities and readjust goals in the light of realistic information?

In summary, along with your other witnesses, I believe that Congress made a wise investment, and believe that the program deserves to be continued and give even substantially increased support.

Now, mind you, a century ago it was the lawmakers in the Congress who invented the Land Grant colleges. It was their layman's judgment that triumphed over the opposition of the status quo in higher education.

Today, once again, it is the Congress of the United States which has the opportunity to give momentum to encouraging new developments such as cooperative education.

I really believe, Mr. Chairman, that these two worlds, and they are separate and distinct, one the world of work and one the world of formal instruction, are beginning to touch one another in tentative and hesitant fashion, and that our greatest challenge is to link these two empires together in a creative and constructive fashion. Cooperative education is one way in which we can do just that.

With your help and encouragement, we in higher education have a real chance to get on with the job. Thank you, Mr. Chairman.

Mr. O'Hara. Doctor, I appreciate your statement very much and I am in thoroughgoing agreement with it.

I would like to pursue some of the absurdities of the work study regulations with you for a few minutes and draw out a couple of more. How is that?

Dr. Enarson. All right.

Mr. O'Hara. All right, first, I think you are completely right about the inanity of this business about "How you cannot permit the students to continue earning at any job within the university."

If he works at the gas station across the street, that is all right, you know, or wherever it may be I suppose it is all right, but if he works within the university but they are threatening to come and get you and reclaim from the university any funds that you paid him.

In other words, you pay him and then you have to pay them the excess or whatever, you know, and restore it.

Dr. Enarson. He can walk right across High Street and work in Bordon Burger's but cannot work in the library where he worked for two quarters and was beginning to develop a taste and skill in library work.

Mr. O'Hara. Well, that has several things wrong with it, of course, and one of them is that I don't think we ought to consider a job in the same light that we consider a grant of public funds. It seems to me that if it is a work-study job and it is a well-conceived and well-supervised job, the student is earning that money; he is not being given anything.

Now you are getting out of that student at least your money's worth if it is a good job, if it is well thought out and well supervised. So I don't think he ought to consider himself as an object of charity. I mean, I don't know why there ought to be a means test.

Well, "Look, before we give you undeserving poor this money from our Federal Treasury, we are going to make sure you are not getting too much, you know, you might develop expensive tastes and you might get into habits of riotous living, something like that, ripping off us taxpayers," and to me that is a crazy way of looking at work study.

I think we ought to have different standards. One of the points I tried to make in the loan thing, was, as you know the 1972 amendment had so tightened up the guarantee loan feature that many students from families of average income were not able to get guaranteed loans as a practical matter because they couldn't get the interest subsidy and the banks were not making loans without interest subsidy so they were disqualified.

We took the position there ought to be a different standard in terms of eligibility for an interest-subsidized loan than for eligibility grants and I think they are, or there clearly ought to be a different standard in terms of your eligibility for a job.

I am not sure of what the point of each test is when you are talking about a job.

Dr. ENARSON. Mr. Chairman, I think the financial aid officers have been mesmerized by this concept of the needs package. And the words have confused their thinking and, to paraphrase your comments, we are forced to employ a welfare psychology and welfare mystique, and improperly lay that on a plain old-fashioned job transaction.

I was grateful, way back in early or the late thirties, to be a beneficiary of 30-cent-an-hour employment with the National Youth Administration. It never occurred to me this was some sort of welfare. I worked and I was paid. As a practical matter, the limitation of the needs test, however described, I think would help the attitude on the campus toward this matter.

Mr. O'HARA. And that is my thought entirely.

Second, it seems to me if you are going to be adjusting things, I sometimes thought maybe we ought to shift this student aid package around so that the basis of the student aid package is a job. In other words, that is the base on which you build everything else.

If the job is not producing enough, well, then, we think about grants and loans. But maybe that ought to be the basic unit, because I think it has so many advantages, because it is not charity. Nobody is giving you anything. You are earning it.

These youngsters are doing lots of things to the extent that they are working in the university, to the extent they are working in nonprofit and public agencies outside of the universities. They are undoubtedly doing all kinds of things that need to be done, that ought to be done, that help build the community, and they are working for it. I have even thought, maybe the way we ought to fund these things is say, "First, fully fund your work programs."

As you say here, you had, without half trying, too, probably, Mr. Enarson, you had identified panel-approved jobs at your university that would have taken $1,615,000 to fund. I think if you had known, or if you had really thought there was extra money out there, you could have done even better.

Dr. ENARSON. Mr. Chairman, I didn't even bother to check. I have lived in bureaucracies long enough to know that was an estimate submitted on the assumption that we would be lucky if we got some substantial fraction of it. So I don't think it in any way reflects a fair assessment of the need.

If I may say so, I had not thought of the problem in quite the same terms you expressed. But your formulation has great appeal as I reflect on it, because, and I think here particularly low-income and minority students who come in, in the financial packages that we have labored to create there is something terribly wrong with providing financial assistance on the basis of need for young people who have not yet developed the kind of normal job discipline that one expects. That is, as strange as it may seem, the first thing that some people need to understand is the importance of arriving from and to work on time. And I don't think you can overestimate the problem, or the degree of naivete and the experience of fear on the part of so many students.

Mr. O'Hara. I think that is true. Of course, if it is a co-op job, if it is a job, so much the better, you know, or if it is a work-study job that is related somehow to the student's career objective, then that is really a bonus.

Of course, to change the subject, co-op has a tremendous appeal to me because it does all of the things you mentioned. It gives the student an opportunity to gather some experience in the field that he believes to be his career objective, to determine if that is really what he wants to do.

It gives him an opportunity to get some experience in his field and if he decided it is it gives him experience in that field and gives the employer a chance to look him over and gives him a chance to look the employer over, and not only that it seems to me to be a tremendous investment.

We put a few bucks into developing these things and then the amount it produces and turns to student income, there is a ratio of about 10 to 1 of what it produces in terms of what we had invested in it.

If you want to talk about helping the students, the way you can help them without bankrupting the Federal Treasury, it seems to me the more sensible way is to help them find sources of income that not only will help them to pay for their college costs, but will help them to learn about the career they want to get into and help them see how employers operate and learn about a particular employer, you know, that is tremendous.

I would think we ought to really put that notion in.

Dr. Enarson. I would like to associate myself with Dr. Brooks' comments. I don't pretend to know how we develop these more flexible arrangements that we talked about, but I do think we ought to stop thinking of work study as a sealed-off, isolated phenomena, and cooperative education as something which was perfected at the University of Cincinnati in 1906. But I do think there is a definite need for a whole range and variety of options here, because, and I am just repeating myself, I really think we are on the track of something utterly basic. The modern university, as we have contrived it, is among the most artificial social institutions the world has ever seen. I think one reason for student discontent is their sense of the great artificiality of this.

In our country, as you well know, human identity and a sense of self-worthiness go with the paying job. There is nothing sadder than to talk to young people who cannot find a job.

Mr. O'HARA. That is right. They have finished their education and they have gone out into the world and they cannot find a job.

Dr. EXARSON. Just one little element in co-ops which bothers me a little and I would like to share it with you. We say in our literature that we want to give the individual student a full range of options. However, there are some employers who regard this simply as a way of earmarking talent at a very early age. I am not greatly exorcised over this problem, but it is worth noting.

Occasionally, I have met some students who I thought had made a career designation too early and signed up for a major local corporation when they took their first co-op job when I thought they had more talent.

Mr. O'HARA. Well, you know, another advantage to the co-op thing I see, I recall when you and I were together last December discussing the tremendous need for continuing education for making it possible for people who have passed the traditional college age to become involved in new education to learn new skills for their own edification or for their career advancement or a career change or whatever it might be, and it seems to me this co-op idea of work and school leads us much more easily into the notion that you might at any time during your life, during your working career, go back to school and learn more about your profession or adopt a new profession, and learn something about your company or whatever.

I think these sort of fit in together. They are such that one would help the other.

Dr. EXARSON. They do indeed, Mr. Chairman. I would like, if I may, to make a brief pitch in support of Dr. Brooks' suggestion that you think seriously about consortia. The consortia device is one way to maximize the pressure for change and that is really what we are talking about here.

I have never made the calculations, but I strongly suspect that if one drew a profile of co-op programs throughout the United States, one would find that the major institutions, as for example the land grant colleges and the Big 10, have not really picked up co-op education and given it the thrust and attention that it deserves.

I think of our Council of Ten in the Midwest, which is a consortium. If a small amount of money were awarded to that group it just might make the difference in getting some constructive action taken in our major institutions. But I think, in the long haul, that we have to find ways of penetrating, what I will call the "mass market."

It is one thing to have 30 or 40 co-ops in a small college, but with a large campus such as ours in a large city we have a chance for very large enrollments in co-op to learn what job opportunities are about.

Mr. O'HARA. Let me just make a couple of concluding observations.

Northeastern University up in Boston apparently managed to meld work study with cooperative education, you know, they are managing to use the work-study program in their cooperative education program to the extent that their co-op students are taking jobs with public agencies of course and nonprofit agencies.

Then, one example of that is they have co-op in their law school, among others, and one of our witnesses was a young man who is working for one of the subcommittee of the House of Representatives as a law clerk, working with the counsel to that subcommittee during his work quarter, you know, and he was telling us of his experiences under the co-op program. He is a great enthusiast.

As you said, the best testimony always comes from those involved in it. I mentioned his testimony to one of my children who thinks he might want to go to law school and he said, "Boy, that is terrific. Really, where is that place?"

I said, "in Boston." He said, "It must be terribly hard to get into. I wonder if I could get in there."

In other words, it appealed to him to be a vastly superior way of going to law school and I think it would be to most who aspire to a career in law.

Yet I know of no other. Maybe there is another, but if there is, I am not aware of it. I know of no other law school that has this program.

The Washington Law Center, I think that is awfully new, I guess. I imagine they would also hold it but other than that I don't know it.

So, you notice, there is a thought for you at Ohio State.

Dr. Enarson. Right.

Mr. O'Hara. I think that gives you such a leg up, to have you get out of law school, the experience, to have an opportunity while you are in that school to try out different kinds of legal jobs.

Dr. Enarson. As you know, Mr. Chairman, it is only in the last 5 or 8 or 10 years that law schools have formally initiated something called "clinical legal education" into their curriculum. I find it is hard to believe, but I think that is factually correct. I don't think they have given all of the thought they need to the concept.

They have thought of it as merely a quick extension of the classroom rather than as a broad-based program for enriching their understanding of "how a large law office works," for example.

Mr. O'Hara. A clinical co-op for law is clinical experience in spades. That is really it when you go out into an office and work. You are not in any artificiality at all in that situation. You are there. You are finding out what is going on. You are learning a little something about what one does with a legal education.

Dr. Enarson. I think we have just begun to pioneer in courses back on campus that supplement and enrich the formal instruction. I think of the many students who move in to co-op jobs in a variety of institutional settings. One difficulty they have is that they are strangers to the mysteries and protocol and procedures of large scale organizations.

Like it or not, all of us will live our lives out in those large organizations. Well, here is a chance to put together some courses which will have genuine intellectual vitality because they relate closely to what people have experienced.

As I move around the university, I am appalled in talking to students to see how blurred their perception of large organization is.

Mr. O'Hara. Well, I think our hearings have been very useful on this subject and I appreciate your testimony, Dr. Enarson.

Dr. Enarson. I appreciated the chance to be here.

Mr. O'Hara. Thank you.

Our concluding witnesses today are experts from the Office of Education, led by Mr. Richard Holden, Director of the Division of Training and Facilities, Office of Institutional Support and International Education. As was the case last week when John Phillips appeared, as will be the case in future segments of these hearings, when other OE witnesses appear, Mr. Holden has not been asked to come before us to talk about policy, but to describe existing programs, and to provide us with the kind of careful expertise we have come to expect from OE.

Gentlemen, we are very happy to have you and you may have observed that the chairman of the subcommittee is rather partial to these programs and will be interested in the way they are administered.

STATEMENT OF RICHARD R. HOLDEN, DIRECTOR, DIVISION OF TRAINING AND FACILITIES, BUREAU OF POSTSECONDARY EDUCATION, U.S. OFFICE OF EDUCATION

Mr. HOLDEN. Thank you, Mr. Chairman. I think I should start out by disavowing the term expert. For better or worse, if I may, I will skip pretty much the beginning part of our statement and get into the part which relates to what we are doing and what we would like to be able to tell you.

We have provided a number of tables.

Mr. O'HARA. First off, without objection, your statement will be entered in full in the record as will the statement of Dr. Brooks and Dr. Enarson.

Mr. HOLDEN. Table A provides the number of applications that we received and Federal dollars requested, the number of grantees and the approved amounts and the amount of average grants. These are for year 1972, 1973, and 1974. Incidentally, we discovered that we are not consistent and the number requested on table A for 1973 and 1974 should be 648 and 641.

Mr. O'HARA. 1973 will be 648?

Mr. HOLDEN. Yes; 648 and 641 in 1974.

Table B provides the number and amount of awards by States.

Table C is distribution of funds by institutional control and level.

Table D is years of institutional funding by State.

Table E are some illustrative training and research programs.

Table F is a copy of the notice of funding criteria for fiscal 1974.

Table A shows that for the 1974 fiscal year 645 applications were received, requesting almost $28 million, and 371 grants were awarded totaling $10.75 million—the full amount of the appropriation; 349 of these grants were for planning, implementing, strengthening, and expanding cooperative education programs on the campuses. The total for this effort is $10 million.

While section 451(a) aid has been significant to the cooperative education movement, it should not overshadow the importance of the training and research program authorized by section 451(b). In 1973, 12 training programs and 4 research programs were supported. It is anticipated that 17 training and 5 research programs will be funded in 1974 to the extent of $750,000.

Table B shows that awards have been made to grantees located in each of the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.

Table C shows that funding for fiscal year 1974 is almost equally divided between 2- and 4-year publicly-supported institutions of higher education; among private institutions, 2-year colleges will receive about 13 percent of the total in fiscal year 1974; and 4-year institutions will receive about 87 percent of the total. For all institutions combined, 2-year institutions will receive $3,795,000, or 38.3 percent of the total funding.

Table D shows that 78—not the 84 shown in my statement—grantees supported since fiscal year 1972 conclude their period of eligibility after being funded for the 1974 fiscal year.

Fed would argue that cooperative education has not developed into one of the most meaningful and effective forms of education. For the student, the educational experience includes both the theoretical and practical as well as providing a much-needed source of income.

For the educator, there is both the challenge and reward of staying abreast and ahead of the continuing changes in the business world. For the employer there are the benefits of becoming involved in the educational process by participation in training and establishing reliable sources of well-prepared employees.

In an internal study, the Xerox Corp. noted that it had "made very substantial savings in its personnel recruitment costs through employing cooperative education students." The South Central Bell Telephone Co., in a study covering 9 years of its employment experience, reports that "the cost of employing and retaining each co-op graduate was 40 percent less expensive than employing and retaining a regular college graduate."

If we can accept the conclusion that cooperative education is meaningful and valuable, we ask the further question of Federal aid for cooperative education: what does title IV–D aid accomplish and what are its parameters?

At this point it is where I question the term "expert" as I regret that we cannot provide a solid base of answers. In fact, it would be presumptuous for us to provide definitive answers when it is considered that 1973 was the first year of full funding for title IV–D. We would, however, like to share with you the data and tentative conclusions that we do have.

The program appears to us as multidirectional. It is institutional aid in that the funds enable a college to plan for and start a cooperative education program. Certainly it is reasonable to claim that the increase in the number of institutions with such programs reflects section 451(a) support. Many financially distressed colleges no doubt would not have been able to add a program without Federal aid.

It is student aid in that student earnings, particularly for the economically deprived, can cover a significant part of expenses. Students at Northeastern University—the largest cooperative education institution in the country—will have average earnings of $3,350 this year.

We interpret the goal of title IV–D as the initiation and sound establishment of co-op programs but not their indefinite support. As such, there are limits to the duration of Federal aid. Of the some 2,700 public and private nonprofit postsecondary institutions in the country, it is estimated that 700 will be planning for or operating cooperative education programs this year. Perhaps one-half of the balance, or 1,000, will embrace cooperative education to some degree in the near future. If 500 to 750 of these need start-up funding, a period of 5 to 7 years is indicated.

In recognition of the need to provide a better base for decision both at the program operating level and at the legislative level, a number of actions have been initiated. These include:

1. A review of program operations was made recently and steps are being taken to obtain better program data.

2. Funding criteria for 1974 were published January 3 (see table F) and definitive regulations have been forwarded for legal review.

3. The number of site visits for evaluation and technical assistance purposes has been increased significantly and will continue at a high level.

4. A planning study of the program will be made by an independent contractor.

5. Section 451(b) research projects have been reviewed with particular emphasis on the generation of meaningful program data. In this regard we are particularly interested in cost-benefit information and are awarding two grants to obtain this.

6. Further review will be made of the continuing vitality of a cooperative education program after Federal aid ceases. A recent analysis showed that only four grantees appear likely to discontinue programs.

It may be well that cooperative education offers more return on the investment than any other educational program. It could well be the major breakthrough of the 1970's for students, for faculty involvement, and for employers.

This concludes our statement. We will be pleased to try to answer any questions from members of the subcommittee.

[Mr. Holden's prepared statement follows:]

STATEMENT BY RICHARD R. HOLDEN, DIRECTOR, DIVISION OF TRAINING AND FACILITIES, BUREAU OF POSTSECONDARY EDUCATION, U.S. OFFICE OF EDUCATION

Mr. Holden is accompanied by—

Mr. Charles M. Cooke, Jr., Deputy Assistant Secretary for Legislation (Education), DHEW.

Dr. John L. Chase, Chief, Training and Program Development Branch, Division of Training and Facilities, Bureau of Postsecondary Education, OE.

Mr. Sinclair V. Jeter, Chief, Cooperative Education Section, Training and Program Development Branch, Division of Training and Facilities, Bureau of Postsecondary Education, OE.

Mr. Lee M. Frederick, Education Program Specialist, Cooperative Education Section, Training and Program Development Branch, Division of Training and Facilities, Bureau of Postsecondary Education, OE.

Mr. Chairman and members of the subcommittee, it is a pleasure to be here today and to review briefly the history and operation of the Cooperative Education Program. The following statement is intended to be a brief overview. However, we would be happy to respond to questions from Committee members who might wish to expand upon this written statement.

In reporting to you about cooperative education in America it appears pertinent to provide (1) a brief history of the cooperative education movement, (2) a discussion of Federal support through Fiscal Year 1974, and (3) a critique.

Although there are dozens of varying definitions of cooperative education, there is general agreement that the term minimally includes alternate periods of paid employment and college attendance. Further, cooperative education requires three interdependent components: (1) students desiring to participate in a work study type of program, (2) institutions committed to this type of program and capable of supplying leadership and necessary administrative support and (3) employers committed to this type of program and willing to provide meaningful student jobs even in a period of economic slowdown.

I. HISTORY OF COOPERATIVE EDUCATION

The cooperative education movement began in 1906 at the University of Cincinnati under the leadership of Dean Herman Schneider with the strong interest and continued support of Charles Kettering. Growth in the number of cooperative education programs was slow at first, but in recent years it has been almost phenomenal. Now cooperative education programs exist for most academic fields. As late as 1960 there were less than 50 institutions offering cooperative education and about 250 in 1971. In 1973, cooperative education and about 250 in 1971. In 1973, cooperative education programs were already established in 370 institutions; another 197 institutions were actively engaged in planning such programs.

Data from institutions with established programs indicated that in 1973 these institutions enrolled 140,000 Cooperative Education students who had earned $350,000,000 or an average of $2,500 per student. The National Commission for Cooperative Education estimates that over 700 institutions will have programs in 1974. This recent growth in program participation came at a time when costs of higher education were skyrocketing and there was growing disenchantment with traditional forms of postsecondary education.

Over the years cooperative education has spread from its origin in engineering fields to a great variety of career disciplines such as journalism, agriculture, business, health, and education. Efforts are now being encouraged by the Office of Education and others to include liberal art programs more extensively.

Its growth has been steady at 4-year colleges and universities and particularly impressive at 2-year colleges. As a side benefit, cooperative education tends to bring 2-year and 4-year institutions closer through joint efforts in developing curriculum ladders.

Among the reasons for this remarkable growth in cooperative education programs, the financial advantages to students, particularly those from lower and middle income families, seem fairly evident. Employers have also viewed cooperative education as of major advantage to them in recruiting and retainng well-trained and motivated employees. To institutions of higher education cooperative education programs offer numerous incentives among them the following:

1. Coop programs assist institutions in recruiting and retaining students. In many instances, dropout rates among coop students are considerably lower than among regular students. This is particularly important to institutions experiencing declining enrollments.
2. The adoption of a coop program adds considerably to an institution's tuition income, without requiring additional expenditures for enlarged classroom or other physical facilities.
3. Through their work experience, students gain a more realistic understanding of career opportunities and requirements. Thus they can make earlier and wiser selection of academic majors.
4. The modern, up-to-date facilities and procedures available through employing agencies and organizations provide students with superior training opportunities for complementing their academic studies.
5. Student contacts through employment help to draw business and industry closer to the concerns of higher education and help to bridge the gap between "town and gown," thereby assisting institutions in improving their relations with their surrounding communities.

II. FEDERAL SUPPORT FOR COOPERATIVE EDUCATION

Federal support for cooperative education began in October 16, 1968, when the Congress of the United States amended the Higher Education Act of 1965. Funding for the program started in 1970 with one percent of the College Work-Study appropriation authorized to be used in support of cooperative education. In that year, $1,540,000 was made available to 74 institutions. The same funding approach was used in 1971 when $1,600,000 was awarded to 91 institutions.

In fiscal year 1972, a specific authorization of $10,750,000 was provided for Title IV, Part D, Cooperative Education, and that amount continues through 1975. Only $1,700,000 was appropriated in FY 1972, but in both 1973 and 1974 the full authorized amount of $10,750,000 was made available and has been requested for 1975.

Under Title IV, Part D, Section 451(a) of the Higher Education Act of 1965, as amended, the Commissioner is authorized to make grants of up to $75,000 "to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time public and private employment." The purpose of these programs is "to afford students the opportunity to earn, through employment, funds required for continuing and completing their education, and, so far as practicable, give them work experience related to their academic or occupational objective." Institutions assume responsibility for job placement and evaluation; students in work status are paid a going wage by their employers; and some form of credit may be given to students who successfully complete their work assignments. No institution may receive grants for cooperative education programs for more than three fiscal years, and no Title IV-D funds may be used as compensation for student employment.

Under HEA, Title IV, Part D, Section 451(b), the Commissioner is also authorized "to make grants to or enter into contracts with institutions of higher education or combinations of such institutions, or with public or private nonprofit agencies or organizations for the training of persons in the planning, establishment, administration, or coordination of programs of cooperative education, for projects demonstrating or exploring the feasibility or value of innovative methods of cooperative education or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education."

Award determinations are made by Office of Education staff in consultation with peer groups panelists after thorough reviews and independent ratings by each.

TABLE A. TITLE IV D, FISCAL YEAR 1972-74 FUNDING

	Fiscal year 1972	Fiscal year 1973	Fiscal year 1974
Total requested:			
Dollars	$10,685,867	$26,284,811	$27,991,767
Numbers	291	642	645
Total approved:			
Dollars	$1,700,000	$10,750,000	$10,750,000
Numbers	84	355	371
Average grant	$20,238	$30,282	$28,976
Percent funded of:			
Dollars	15.9	40.9	38.4
Numbe4s	28.9	55.3	57.5
Section 451(a): administration:			
Number requested	291	608	601
Number approved	84	343	349
Percent approved	28.9	56.4	58.1
Amount approved	$1,700,000	$10,000,000	$10,000,000
Average grant	$20,238	$29,155	$28,653
Section 451(b):			
Training:			
Number requested	(1)	[2] 31	27
Number approved	(1)	12	17
Percent approved	(1)	38.7	63.0
Amount approved	(1)	$580,000	$553,000
Average grant	(1)	$48,333	$32,529
Research:			
Number requested	(1)	[2] 22	17
Number approved	(1)	4	5
Percent approved	(1)	18.2	29.4
Amount approved	(1)	$170,000	$197,000
Average grant	(1)	$42,500	$39,400

[1] Not authorized in fiscal year 1972.

[2] Includes 3 combined training and research proposals.

TABLE B.—TITLE IV-D REQUESTS AND AWARDS BY STATE

	Fiscal year 1972 awards			Fiscal year 1973 awards			Fiscal year 1974 awards		
	Number received	Number	Amount	Number received	Number	Amount	Number received	Number	Amount
Totals	291	84	1,700,000	648	355	10,750,000	641	371	10,750,000
Alabama	14	4	80,000	23	16	459,000	23	17	456,000
Alaska				2	2	60,000	3	2	75,000
Arkansas	3	1	20,000	10	2	177,000	5	3	239,000
California	14	8	180,000	50	19	579,000	55	24	686,000
Colorado	4	2	42,000	8	5	149,000	7	4	130,000
Connecticut	1			5	2	60,000	5	2	70,000
Delaware				5	2	65,000	3	3	76,000
District of Columbia	3	3	67,000	8	6	192,000	7	7	220,000
Florida	23	4	70,000	28	23	654,000	35	26	660,000
Georgia	13	4	80,000	14	12	353,000	20	12	332,000
Hawaii	2	1	23,000	2	2	94,000	3	2	92,000
Idaho	1			3	2	43,000	1	1	18,000
Illinois	16	3	55,000	26	13	383,000	21	12	331,000
Indiana	2			6	3	200,000	7	3	265,000
Iowa	5	2	40,000	10	5	125,000	9	5	110,000
Kansas	3	1	15,000	16	8	180,000	12	8	217,000
Kentucky	8	2	45,000	16	8	194,000	15	9	222,000
Louisiana	8			11	5	163,000	7	5	145,000
Maine	1			4	3	125,000	3	3	121,000
Maryland	5	3	55,000	10	6	174,000	7	5	140,000
Massachusetts	6	2	45,000	19	8	389,000	15	9	400,000
Michigan	9	3	55,000	21	8	250,000	23	10	333,000
Minnesota	4	2	55,000	7	3	90,000	6	3	95,000
Mississippi	5	1	20,000	9	8	219,000	9	7	225,000
Missouri	3	1	20,000	11	4	90,000	8	4	82,000
Montana				3	3	60,000	2	2	48,000
Nebraska	3	1	20,000	3	3	66,000	3	3	63,000
Nevada				1	1	25,000	2	2	45,000
New Hampshire	3	1	25,000	3	2	67,000	5	2	50,000
New Jersey	5	1	20,000	20	15	468,000	32	16	390,000
New Mexico	2	1	20,000	7	3	87,000	3	3	81,000
New York	19	10	190,000	44	23	775,000	34	21	601,000
North Carolina	22	3	65,000	33	23	634,000	36	25	625,000
North Dakota	2			6	4	104,000	8	4	107,000
Ohio	7	2	70,000	16	6	299,000	16	5	209,000
Oklahoma	3			14	5	125,000	10	3	50,000
Oregon	4	1	20,000	7	4	84,000	9	4	90,000
Pennsylvania	9	2	35,000	21	7	217,000	18	7	231,000
Rhode Island	2	1	20,000	1	1	39,000	1	1	35,000
South Carolina	8	2	35,000		13	327,000	23	12	306,000
South Dakota	1	1	20,000	5	2	55,000	4	2	40,000
Tennessee	7	2	40,000	16	9	310,000	24	11	360,000
Texas	12			22	11	350,000	25	13	417,000
Utah	1			8	4	118,000	6	3	74,000
Vermont	1			3	1	25,000	2	2	45,000
Virginia	7	2	40,000	18	12	326,000	22	14	333,000
Washington	3	2	23,000	15	5	110,000	11	6	190,000
West Virginia	4	2	40,000	6	4	106,000	6	6	149,000
Wisconsin	1			13	8	158,000	12	6	154,000
Wyoming				4	2	28,000	4	1	25,000
U.S. service schools									
American Samoa									
Canal Zone									
Guam									
Puerto Rico	1	1	20,000	5	4	95,000	8	6	162,000
Trust Territory									
Virgin Islands	1	1	10,000	1	1	25,000	1	1	20,000

TABLE C.—TITLE IV-D: DISTRIBUTION OF FUNDS, BY INSTITUTIONAL CONTROL AND LEVEL

Control and level	Fiscal year 1972		Fiscal year 1973		Fiscal year 1974	
	Number	Amount	Number	Amount	Number	Amount
Public:						
2-yr	13	$285,000	114	$3,210,700	122	$3,302,000
4-yr/university	38	729,000	116	3,676,000	124	3,758,000
Total	51	1,014,000	230	6,886,700	246	7,060,000
Private:						
2-yr	4	85,000	19	491,000	21	493,000
4-yr/university	29	601,000	106	3,372,300	104	3,221,000
Total	33	686,000	125	3,863,300	125	3,714,000
All:						
2-yr	20	447,000	133	3,701,700	143	3,795,000
4-yr/university	64	1,253,000	222	7,048,300	228	6,786,000
Total	84	1,700,000	355	10,750,000	371	10,750,000

TABLE D.—SEC. 451(a) YEARS OF INSTITUTIONAL FUNDING BY STATE

	Number of 3 yrs	Institutions 2 yrs	Funded for 1 yr
Totals	78	247	67
Alabama	4	11	2
Alaska		2	
Arizona	1	2	1
Arkansas	1	2	1
California	8	11	4
Colorado	2	1	3
Connectucit		2	
Delaware		2	
District of Columbia	3	3	1
Florida	4	18	2
Georgia	4	8	
Hawaii	1	1	
Idaho		1	1
Illinois	2	10	2
Indiana		3	
Iowa	2	3	
Kansas	1	7	
Kentucky	2	6	1
Louisiana		5	
Maine		2	
Maryland	2	3	2
Massachusetts	2	6	2
Michigan	3	4	3
Minnesota	2	1	
Mississippi	1	6	1
Missouri	1	3	
Montana		2	1
Nebraska	1	1	2
Nevada		1	1
New Hampshire	1	1	
New Jersey	1	11	6
New Mexico	1	2	
New York	9	10	6
North Carolina	2	21	3
North Dakota		4	
Ohio	2	2	2
Oklahoma		3	2
Oregon	1	3	
Pennsylvania	2	3	3
Rhode Island	1		
South Carolina	1	11	2
South Dakota	1	1	
Tennessee	2	7	1
Texas		11	1
Utah		2	3
Vermont		1	1
Virginia	2	10	1
Washington	2	3	1
West Virginia	2	2	1
Wisconsin		6	2
Wyoming		1	1
U.S. Service Schools			
Canal Zone			
Guam			
Puerto Rico		5	1
Virgin Islands	1		

TABLE E.—SECTION 451(b)—ILLUSTRATIVE TRAINING AND RESEARCH PROGRAMS

COOPERATIVE EDUCATION TRAINING PROGRAMS

During the fiscal year * * * will conduct one/or two day workshops involving the chief corporate leaders in business, and industry. The purpose of the workshops is to inform top level management as to the extent cooperative education programs exist at the institutions of higher education, the value of coop to the student, and the benefits to employers of utilizing the service of students enrolled in these programs. The objective is to expand opportunities for students to secure such employment and to improve the existing cooperative education work assignments so that they are more relevant to the objectives of the academic programs of students. Special emphasis will be placed on job placements for minorities, veterans, women, handicapped, and encouragement to business and industry to play a greater role in higher education.

Training Program for Directors or Coordinators of Cooperative Education Programs will be conducted by * * * which has as objectives improving the quality of the administration of programs at institutions of higher education. It is anticipated that in excess of 1,000 persons will attend the planned sessions and that the team approach to such instruction will enable the institution to more than adequately meet its objectives.

Training Program for Personnel is designed to address the problems of disadvantaged students. Additional problems related to open admissions, low income ghetto residents, senior citizens and veterans will be a part of the workshop curricula. In addition, training sessions will be made available to other institutions of higher education.

* * * will conduct a training program that will serve the needs of institutional personnel and in addition will contain an innovative component for training employers. The proposal contemplates the establishment of a cooperative education center at the University. Another objective of the proposal is to encourage employers to establish job slots for cooperative education students much needed in a geographical area which is currently experiencing a high rate of unemployment.

A Training Program for Employers will be administered which is designed to educate employers in the field of cooperative education helping them to maximize the training for cooperative education students. The University has had a long and excellent experience in the administration of its cooperative education program. It will heavily involve its own faculty and staff in the development of programs which will be conducted in several cities in the country.

* * * will receive continuing support for the development of "models" of several kinds of cooperative education programs. In addition the research will provide guidelines to institutions of higher education for planning cooperative programs.

* * * will conduct a research program to determine different methods of preparing students for cooperative education assignment. The proposal provides for the gathering, organizing and dissemination of information regarding pre-employment cooperative education training methods and programs nationally. This information should enable institutions to determine methods of preparing students to insure maximum benefit from each work assignment.

* * * will investigate or research the cost benefit of cooperative education students to employers. An operating model will be established and selected employers in business and industry will provide data to develop cost-benefit figures for each, and the results combined to derive a national norm.

TABLE F.—REGULATIONS

Office of Education

COOPERATIVE EDUCATION

Funding criteria for fiscal year 1974

On January 3, 1974, there was published in the FEDERAL REGISTER at 39 FR 843, a Notice of Proposed Rule Making which set forth criteria for funding of applications for Fiscal Year 1974 for financial assistance under Part D of Title IV of the Higher Education Act of 1965, as amended (Cooperative Education). A notice of closing date for filing such applications was published in the FEDERAL REGISTER on January 10, 1974, 39 FR 1523.

Interested persons were given until January 18, 1974, in which to submit written comments, suggestions, or make objections regarding the proposed criteria. No comments were received.

The criteria are therefore adopted without change, as set forth below.

Effective date. Since no substantial changes have been made in the proposed criteria, they shall become effective on April 1, 1974.

Dated: March 13, 1974.

JOHN OTTINA,
U.S. Commissioner of Education.

Approved: March 27, 1974.

CASPAR W. WEINBERGER,
Secretary of Health,
Education, and Welfare.

(Catalog of Federal Domestic Assistance Program Number 13,510 Cooperative Education Program)

Cooperative Education Programs

NOTICE OF FUNDING CRITERIA FOR FISCAL YEAR 1974

Criteria for selection of applications

(a) *Funding criteria for grants for the conduct of programs of cooperative education.* In addition to the review criteria found in 45 CFR 100a.26(b) (published in the FEDERAL REGISTER November 6, 1973 (38 FR 30654)), the Commissioner shall evaluate applications requesting Federal support for the planning, establishment, expansion, or carrying out of cooperative education programs in accordance with the following criteria:

(1) The extent to which the project proposes to:

(i) Supplement the career educational opportunities that already exists at the applicant institution.

(ii) Modify existing undergraduate teaching practices, the student calendar, and curricula, to meet the particular needs of students participating in the cooperative education project.

(2) The extent to which the project proposes to concentrate on the needs of low-income and minority students, veterans, women, and handicapped students.

(3) The extent to which the proposed project provides for clearly defined procedures that give evidence of:

(i) Comprehensive and in-depth planning.

(ii) Coordination between the student's work experience and his academic and career goals.

(iii) Effective use of human and material resources.

(4) The extent to which the proposal reflects institutional commitment to cooperative education, as evidenced by:

(i) The involvement of administrators, trustees, faculty, students, employers, and cooperative education specialists.

(ii) The establishment of procedures making curriculum and calendar changes needed to reflect the particular needs of students participating in the cooperative education program.

(iii) The formulation of a cooperative education philosophy appropriate to the needs and characteristics of the particular institution.

(20 U.S.C. 1087b)

(b) *Funding criteria for programs for training personnel in the field of cooperative education.* In addition to the review criteria found in 45 CFR 100a.26 (b), the Commissioner shall evaluate applications requesting Federal support for the training of persons in the planning establishment, administration, or coordination of programs of cooperative education in accordance with the following criteria:

(1) The extent to which the project proposes to sensitize trainees to the need for the modification of existing undergraduate teaching practices, the student calendar, and curricula, to meet the particular needs of students participating in a cooperative education project.

(2) The extent to which the project proposes to sensitize trainees to the particular needs of low-income and minority students, veterans, women, and handicapped students.

(3) The extent to which the proposed project provides for clearly defined procedures that give evidence of:

(i) Comprehensive and in-depth planning.

(ii) Effective use of human and material resources.

(iii) The extent to which the applicant demonstrates its commitment to a cooperative education training program by its proposal to utilize resources other than those which may be made available by the Federal government.

(5) The extent to which the proposed training program shows promise of developing trainees who may apply their expertise in more than one cooperative education program.

(20 U.S.C. 1087c)

(c) *Funding criteria for cooperative education research programs.* In addition to the review criteria found in 45 CFR 100a.26(b), the Commissioner shall evaluate applications requesting Federal support for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education according to the following criteria:

(1) The extent to which the research project proposes to focus on the need to modify existing undergraduate teaching practices, the student calendar, and curricula, to meet the particular needs of students participating in a cooperative education program.

(2) The extent to which the research proposal reflects an emphasis on the particular needs of low-income and minority students, veterans, women, and handicapped students.

(3) The extent to which the proposed project provides for clearly defined procedures with:

(i) Well delineated methodologies.

(ii) Realistically designed work schedules.

(iii) A logical relationship between stated objectives and research design.

(4) The extent to which the proposed project reflects innovative approaches to the operation of cooperative education programs.

(5) The extent to which the proposed project provides for hypothesis and methodology that will develop, improve, and promote the uses of cooperative education nationally through:

(i) Experimental as well as other kinds of models.

(ii) Various methods of information dissemination.

(20 U.S.C. 1087c)

(d) *General provisions regulations.* Assistance under this program will be subject to the regulations contained in Part 100a of Title 45 of the Code of Federal Regulations.
(20 U.S.C. 1221c(b)(1))

[FH Doc.74-7426 Filed 3-29-74;8:45 am]

Mr. O'HARA. Thank you very much for your statement. You have heard some of the suggestions that have been made for improvements in the program or expansion of the program.

Let me take, if I locate it here, Dr. Brook's statement and go through his recommendations and let me find out a few things about what your current practices are in these same areas so that we know sort of what we are comparing.

I think you all have a copy of Dr. Brook's statement and if not, the staff will furnish you with a copy.

On page 6, he indicates there ought to be a longer period, 3 to 5 years, for grants for applicants and I was wondering if you might talk to me a little about your experience with 3 years and the genesis of that 3-year idea.

Mr. HOLDEN. As you know, we are finishing up the third year now. From what we can tell at this point, and I will concede that that can change when we get some final reports in from last year's funding and we know more of what happens this year, but it looks like there is a definite period of time. I wouldn't argue for 3 or 5 or what have you, but somewhere in that area, that is sufficient to get a program started and operating.

Mr. O'HARA. In fact, one could make the argument that the 3-year or the shorter period would tend to give you more serious applicants rather than the longer period.

Mr. HOLDEN. I think so. In fact, in Florida, the State has come up with legislation to move in behind the Federal funding. One thing that Dr. Brook did recommend though and I am not sure how he used the word feasibility but we are beginning more and more to feel that the institution really should be beyond the feasibility stage, too.

Mr. O'HARA. They should have made a decision on feasibility already, too.

Mr. HOLDEN. They should have talked to the faculty and done some exploration and got things moving along.

Mr. O'HARA. Right.

The declining scale suggestion is an effort, of course, to get the kind of institutional commitment that is going to be needed to ease them into it. Do you have any informal arrangements of this kind under the present program?

Mr. HOLDEN. Under the present program we really have not approached it like that.

Mr. O'HARA. The third recommendation has to do with the maximum for consortiums and otherwise to encourage consortia. I wonder what you experience has been with the consortium? Has it led you to any conclusion, the viability of the consortium approach?

Mr. HOLDEN. I will let Mr. Jeter answer, since he has been on a day-to-day exposure to this.

Mr. JETER. We tried to encourage the consortia approach. In fact, we have a number of consortia. Dr. Brooks has the principal program and in Maine and Florida and Arkansas, and we have a number that we have encouraged and for the very reasons that Dr. Brooks stated, we have encouraged them.

We found that they work out very well and particularly with respect to not having to duplicate service where one person in a consortia in one institution can take responsibility for securing jobs in an area outside of the particular area.

This has worked very, very well. We find that from a monetary point of view, a consortia can do a lot with a little money and can move interdependently and it has worked out very, very well.

Mr. O'HARA. I am wondering about the $75,000 limitation, both with respect to—well, with respect to institutions. The way it says in the law, "No one institution will receive more than $75,000," and do you treat a consortium as one institution?

Mr. JETER. No, that has not really been a problem as far as we are concerned.

Mr. O'HARA. Is there a number of institutions, 10 institutions, you feel you could go up to some $100,000?

Mr. JETER. Surely. The way we would operate in that situation, we would fund each institution for a specfic amount of money. One institution in that consortium would be the lead institution and would take the responsibility for overall coordination. Therefore, the institutions that are funded, those 10, for example, could each then contribute whatever would be necessary to the consortium leader, who in turn would carry it out in the consortium. That is not a problem. It is a technical problem, but from an operating standpoint, it is not a problem to us.

Mr. O'HARA. I am concerned about the individual institution. For instance, Dr. Enarson was here and, as you know, he is president of a very, very large institution.

Let's suppose all of a sudden Dr. Enarson's people decided they really liked this idea of cooperative education and wanted to convert the whole Ohio State Engineering School into a co-op school. You know, it would take a very considerable amount of money. I am not sure I know what the point of this $75,000 limitation is. Have you run into any problems with it?

Mr. JETER. Actually we have not. There is one institution we funded to the extent of several hundred thousand that has seven independent branch campuses and here is where they are working in a consortium effort and doing the very kind of thing that can be done where there are divisible components that can be funded individually when put together with a lump sum like that.

Mr. O'HARA. That is very interesting.

Mr. JETER. That has not been a real problem at this particular point.

It could be that Northeastern University, for example, with some 22,000 or so students where co-op efforts could include a number of curricular programs, and $75,000 would not be very much as far as their needs.

Mr. O'HARA. Right.

Mr. HOLDEN. If Ohio State went the Northeastern approach, there is no way to mix these things together to give them that kind of money.

Mr. JETER. That is right.

Mr. O'HARA. But, it is entirely possible, what we are talking about is promoting, or enlarging the number of students involved in cooperative education and it well might be that you get the largest effect by going after the big institution and it might be easier to maximize your effort more if you have one big institution and less effort than with 10 small ones.

You would have to have some sort of freedom from this limitation.

Well, in any event, the suggestion was also made that we ought not to be quite so specific in our definition of "what is cooperative education", in that we talk about "alternating periods of study with full-time employment", you know, and it has been suggested that maybe there ought to be some flexibility in that.

Have you run into any problems with that?

Mr. HOLDEN. Particularly on the west coast, sir, the so-called parallel program is becoming more and more popular. That is when the student may go to class in the morning and work in the afternoon.

In some areas, in some types of schools, it is becoming more and more popular. How widespread that is, I don't know at this time. That is one of the areas we have to explore further to discover if it is really going to be substantial.

Mr. O'HARA. Right. It was also suggested that a portion of the appropriation for research be earmarked for development of standardized procedures for evaluating the effectiveness of coop programs. Would you have any comments on that? What are you doing in the way of evaluation for effectiveness now? It is a new program.

Mr. JETER. Actually, there is one grant that has been made that is addressing that particular subject and, of course, it is a relatively new funding and in a new area for us, but we do recognize the fact that there is very definite need for this kind of evaluation and hopefully that we will move forward with that this year.

Mr. O'HARA. In addition to the recommendations made by Dr. Brooks that I would like your reactions to, some questions have been raised with regard to some areas of the regulations. In the OE criteria for the selection of applicants and the funding of IV–D programs, there appears at several points language about "the extent to which the program proposes to concentrate on the needs of low-income and minority students and veterans and handicapped students."

The question which has been raised, and I believe you were advised of this prior to your appearance here, was about the statutory basis for these regulations. Where do you find the statutory authority for those criteria?

Mr. HOLDEN. We have not had an opportunity to check with the general counsel, so I can't reply specifically to that. We will furnish an answer, and I am assuming there is a statutory authority.

Mr. O'HARA. We certainly hope so. If there is, I don't know where it is. I can't find it in part D, certainly.

Mr. HOLDEN. It is not in part D and I am assuming, since what this program has done (to give sort of a rationale of why we are in that picture) is follow efforts in other "OE" programs, particular student aid programs, which had gone that way.

One reason, particularly appropriate for co-op education, is that there is more expense in bringing in the economically disadvantaged.

Mr. O'HARA. One of the other members of the committee told me that he remembered a discussion, a very heated discussion in this very room during the legislative process, about whether or not the priority ought to be built in for the sort of thing that you described in the application in your regulations and that the decision was finally made by a vote of the subcommittee not to do so and that the silence of part D on that subject was meaningful, that is, that, you know, it reflected a conscious decision not to build in such a priority.

Now, I am not present at that particular mark-up. But one of those who was had so advised me and I would like to have a reply to that question.

[Subsequently, the Office of Education submitted the following:]

OFFICE OF EDUCATION STAFF MEMORANDUM

Re: Statutory authority for funding criteria under HEA IV–D.

I. BACKGROUND

1. On January 3, 1974, funding criteria, for the fiscal year 1974, for selection of applications for financial assistance under the Cooperative Education Program (title IV–D of the Higher Education Act of 1965, as amended) were published in the *Federal Register* (39 F.R. 843) under the notice of proposed rulemaking procedure. Interested persons were given until January 18, 1974 in which to submit written comments, suggestions, or make objections regarding the proposed criteria. No comments were received. The criteria were therefore adopted without change and republished in the *Federal Register* with an effective date of April 1, 1974 (39 F.R. 11938).

2. The funding criteria were applicable to three categories of applications set out in specific paragraphs as follows: paragraph (a), criteria for the conduct of programs of cooperative education; paragraph (b), criteria for training personnel in the field of cooperative education; and paragraph (3), criteria for cooperative education research programs. Each of these respective paragraphs indicates that among the criteria to be taken into account in the evaluation of applications under these categories is the extent to which [the project] proposes to concentrate on, or reflect a sensitivity to, the particular needs of low-income and minority students, veterans, women, and handicapped students (subparagraphs (a)(2), (b)(2), (c)(2)).[1]

3. A question was raised during recent oversight hearings on the Cooperative Education Program before the Special Subcommittee on Education of the House Committee on Education and Labor on May 21, 1974 as to the statutory authority for these criteria.

II. RELEVANT LEGISLATIVE HISTORY

1. The legislative history of the Cooperative Education Program (HEA IV–D) supports the view that the degree to which the needs of disadvantaged groups would be met under the program was one of the considerations which motivated Congress to enact the legislation.

2. The amendment was originally introduced in the Senate as Amendment 705 to S. 3098, the bill antecedent to and merged into S. 3769 which was enacted as P.L. 90–575. The sponsors of the amendment were Senators Hartke and Kuchel. On the day S. 3769 was being read for passage in the Senate, Senator Kuchel explained his concept of the purpose of the amendment to support cooperative education as follows (Daily Cong. Rec. July 15, 1968, pp. S8679–8680):

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[1] The Cooperative Education program was added to the HEA as Title IV–D by P.L. 90–575. It authorizes the making of grants to institutions of higher education over a period of not more than three fiscal years to establish, expand, or carry out programs of cooperative education which alternate periods of full-time academic study with periods of full-time public or private employment that is academically related. The statute also authorizes the making of grants or contracts for training persons in administering such programs and for research into methods of improving, developing, or promoting the use of cooperative education. (20 U.S.C. 1087a–1087c)

"The efforts of the National Commission on Cooperative Education, the Ford Foundation, and large number [sic] of private enterprises and academic institutions throughout the country have in recent years greatly multiplied activity in cooperative education. We are only beginning to learn the full range of value in applying the concept of 'spaced learning'. This concept permits a fruitful interplay of the influences of work experience on the one hand and academic training on the other.

'Working your way through college' is a traditional American idea—particularly in the western region of our Nation. The idea of offering students an opportunity to earn their own financial support is closely attuned to the traditional American concept of self-help. *But cooperative education is far more than this. It provides opportunities for social and economic adjustment to students who have not enjoyed the full advantages of our abundant American society. It gives them an opportunity to orient their training directly toward work experience and later social adjustment.*

As hearings before the Education Subcommittee have shown, the use of cooperative education techniques has proved particularly valuable *as a vital social bridge for those students who need to be brought into the mainstream of American life.*

The president of Wilberforce University in Ohio, the Nation's oldest Negro university, recently testified that cooperative education programs have reinvigorated and given new hope to Negro students seeking to move out of racial isolation. In the past, Negro college students in the Border States have confined their goals is so-called 'prestige' employment in the ministry or teaching. *Today, by virtue of the alternative between work experience and a periodic return to academic institutions there are new possibilities for students who would otherwise hesitate to vault in one jump the hurdles of segregation.* There is a new desire and opportunity to become engineers, accountants, and businessmen.

The student body at Wilberforce has tripled. The capability of these long established Negro institutions to provide a meaningful bridge to modern society has greatly expanded.

For those who possess the advantages of education there is opportunity. There is a growing stream of information to help us understand our changing world. Data is no longer a mere luxury, but a necessity, as our daily problems become more coupled. But what of our urban poor who cannot use these tools? *What of the frustration of youth in the Mexican barrio, in Hunter's Point, or Watts* to whom many meanings of our modern society are lost?

There is a growing gap between those able to increase their understanding fast enough to keep pace with the changing world and those condemned to increasing exclusion from the world of knowledge. If we are to find the technicians of tomorrow, we ought to seek no further than those who have been cruelly disenfranchised in the communications revolution. Prudent economics suggests this course, a sense of responsible democracy demands it. (Emphasis supplied)

In view of italic passages in the legislative debate cited above, it would appear that there is ample indicia in the legislative history to warrant the Commissioner's taking into account, in the evaluation of applications, the degree to which the requested project relates to the needs of disadvantaged students in the applicant school. To exclude the criteria in question and to remain neutral on the subject might, on the other hand, be regarded as inconsistent with this legislative history.

III. STATUTORY CONTEXT

In developing criteria for funding of application under HET IV–D, the Commissioner must not only make them responsive to current priorities in the field of cooperative education, but also to the continuing pattern of Congressional concern for the disadvantaged, as reflected in the Higher Education Act as a whole. References to this concern on the part of Congress in the Act relate to Indians (sec. 302(a)(2)), minority and economically disadvantaged (sec. 401(a)(2) and (4)), veterans (sec. 420) and handicapped (sec. 521). In addition, Congress has also made explicit its intention to assist women in education (Title IX of P.L. 92–318).

IV.

It must be noted that the criteria in question are not threshhold eligibility requirements. They merely inform applicants that in the evaluation of an application the Commissioner will consider the needs of "low-income and minority students, veterans, women, and handicapped students" in the context of a total evaluation of the application and in accordance with all criteria set forth in the published notice.[2] Thus, as noted in each paragraph of the publication in the *Federal Register* of April 1, 1974, all applications will also be reviewed by the Commissioner in accordance with the review criteria found in 45 CFR 100a.26(b), published in the Federal Register, November 6, 1973 (38 F.R. 30654). Moreover, there are other funding criteria to which the Commissioner must give consideration, as exemplified for instance by §(a)(3) thereof, which requires that the Commissioner in evaluating cooperative education program applications consider in addition:

"The extent to which the proposed project provides for clearly defined procedures that give evidence of:

(i) Comprehensive and in-depth planning.

(ii) Coordination between the student's work experience and his academic and career goals.

(iii) Effective use of human and material resources."

and § (a)(4) which requires him to consider:

"The extent to which the proposal reflects institutional commitment to cooperative education, as evidence by:

(i) The involvement of administrators, trustees, faculty, students, employers, and cooperative education specialists.

(ii) The establishment of procedures making curriculum and calendar changes needed to reflect the particular needs of students participating in the cooperative education program.

(iii) The formulation of a cooperative education philosophy appropriate to the needs and characteristics of the particular institution." (20 U.S.C. 1087b)

V. CONCLUSION

In light of the foregoing, it appears that there is ample authority for the adoption of the criteria in question.

Mr. O'Hara. I have been reminded that the 1972 amendment included proprietary schools as eligible for co-op grants. What has been the experience with proprietary schools? Have any applied?

Mr. Holden. We have had no requests. They are notified when the eligibility and accreditation unit sends out a notice that the institution is eligible for a Federal program and IV D is listed for the ones that are proprietary.

Mr. O'Hara. I should think a number of them would be particularly suited to that kind of program. For instance, the business school; it seems to me it would make a good deal of sense to do some co-op education in there.

Mr. Holden. It might be that the alternating period is something that is strange to them.

Mr. O'Hara. The alternating period, yes. You heard the earlier testimony today and you heard Dr. Enarson's criticism of the college work study regulations in that lots of student's needs have been satisfied. As determined by his needs, now he can not be permitted to earn another 5 cents in university employment of any kind or else the university finds itself then in deep trouble with the Office of Education.

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[2] In response to the emergence of specified categories of needs from time to time, and in order most effectively to utilize the moneys appropriated by Congress to serve the problems currently raised by these needs, the Office of Education endeavors to set priorities that are responsive within the program framework to these emerging needs on a fiscal year basis. The establishment by regulation of such evaluation criteria is consistent with court decisions on appropriate administrative practice. It has been held, for instance, that an agency which declined to adopt standards for selection among non-preference candidates for housing assistance thereby failed to establish a fair and orderly procedure for allocating a scarce supply of such assistance and thus laid itself open to a charge of violating procedural due process. *Holmes v. New York City Housing Authority*, 398 F. 2d 262, 265 (2nd Cir. 1968).

Have you, in cooperative education, tried any way other than the three provisions of the criteria for funding, which I have pointed out, to pose any limitation on the amounts that people may earn and to evolve needs analysis in any way in the co-ops?

Mr. HOLDEN. No; I don't think that is part of our role at all, because, as at Northeastern, they can earn $4,000 or $5,000 in the engineering field and in some place they are barely getting enough together to get by on, but I think that is part of the whole creative thing of cooperative education. Some jobs pay better.

Mr. O'HARA. That is what happens when they get out, too.

Mr. HOLDEN. Yes, and this is a good time for them to find out.

Mr. O'HARA. Right. They are having a special, once-a-year occasion over in the House today, at which time former members return and we get a chance to renew old acquaintance, so I am going to cut this short, knowing that I have you down at the foot of the hill here and can get back at you sometime.

I don't have to drag you down from Maine or from Columbus and since all of us are always on the verge of becoming former members I think I had better make this "be kind to former members day" and I thank you very much for having come over and testifying before us, and it may well be, and probably will be, that we will be talking to you again about these programs.

Thank you very much. Our next hearing will be on May 28 when we will continue our investigation in the field of student assistance looking at the loan component of title IV.

[Whereupon at 11:25 a.m., the subcommittee adjourned, to reconvene Tuesday, May 28, 1974.]

APPENDIX

THE CITY OF NEW YORK,
OFFICE OF THE MAYOR,
URBAN CORPS,
New York, N.Y., June 12, 1974.

Congressman JAMES P. O'HARA,
Chairman, Special Sub-Committee on Education, Committee on Education and Labor, Cannon Building, Washington, D.C.

DEAR CONGRESSMAN O'HARA: One year ago March, the Director of the Urban Corps, Mr. Stanley Litow, delivered an extensive testimony before the Sub-Committee on Labor, Health, Education and Welfare of the House Committee of Appropriations. Because limited time left to prepare a wholly new statement, I will excerpt much of it since it is still pertinent in order to submit some written testimony to your Special Sub-Committee on Education. I have prefaced it with a few remarks on the present standing of the Urban Corps.

We hope this will contribute to a more positive consideration of the Federal College Work-Study Program funding.

Sincerely,

PAMELA GWYNN,
Acting Director.

PREFACE

The Urban Corps has continued to service a few thousand more work-study students over 1973–74. 90% of the students indicated that they had come to work in the Urban Corps Work-Study program for the chance to gain a valuable work experience, and 80% indicated that it was a good chance to test out career plans.

Although the number of students working in the Urban Corps decreased over the past academic year, this is in no way attributable to the change in the City's government. The Urban Corps program has received strong support from the new administration which is indicated by our budget allocation for Fiscal Year 1974–75. While many programs and agencies have received cut backs, the Urban Corps budget remains at the previous year's level. Therefore, we can continue to fund well over 5,000 work-study students for the coming Fiscal Year. However, due to the reduced work-study allocations made to colleges who contract with the Urban Corps, the program anticipates placing considerably fewer students over the coming 1974–75 program.

With so much emphasis being placed on vocational development and marketable college graduates, the Urban Corps has provided thousands of college work-study students with real job experience and has eliminated the "Catch 22" of hiring—you need work experience to get work.

The need for work experience is in greater demand. Should not the work-study allocation rise with it and thus provide the greatest number of students with the opportunity to earn to learn, and learn to earn at college?

Testimony delivered before the House Committee on Appropriations, Sub-Committee on Labor, Health, Education, and Welfare.

"The Federal College Work-Study Program, with grants made directly to the Urban Corps' over 170 constituent colleges, represents the foundation of the Urban Corps, supporting 80% of the salaries of the interns. The City of New York provides the matching 20% in each case, and in this way is able to hire some 7,000 students in one fiscal year.

Operating as one of the most creative utilizations of the college work-study program, the Urban Corps offers:

(*a*) An opportunity for students to learn about our City by making a contribution in a field related to their career interests.

(*b*) An opportunity for a source of financial assistance to students certified by their colleges as being in need of funds to continue their education.

(*c*) A significant manpower resource capable of carrying out urgently needed assignments in the public interest.

Once those students graduate, a significant number of them return to the City to complete the tasks they began as college interns.

Each year for the last seven, the number of college interns working in the Urban Corps has increased. From a few hundred in 1966, to the current 7,000 students who worked full and part time during the past fiscal year. This increase in size has also produced a corresponding increase in effectiveness as interns have participated in projects which would not have been possible without their aid. At present, college students are working in over 100 different major City agencies and in, literally, thousands of field locations.

College students staff summer recreation programs; working for the Youth Services Agency, do research in our City hospitals, manage adolescent health programs, perform research studies on City projects, work with the mentally retarded and physically handicapped, etc.

Indiviudal interns have redesigned electrical systems for our Fire Department, conducted research studies both on franchized bus service in Manhattan and utilization of ambulances in New York City; and completed a follow-up study on former out-patients at a City hospital psychiatric unit.

One City museum, the Museum of the City of New York, stays open only through the support of Urban Corps interns who function as tour guides, design exhibits, run museum education programs, etc.

The City's hospitals effectively utilized the talents of nearly 600 college students working as aids in the emergency rooms, x-ray technicians, clinical lab technicians, etc. Interns working virtually on their own operated a blood bank at Lincoln Hospital.

The City Bureau of Lead Poisoning relies upon Urban Corps college students to do the field work necessary to educate mothers in ghetto neighborhoods about the availability of testing facilities. Last summer, a team of 25 such students working for 10 weeks, were able to personally screen over 600 mothers resulting in nearly 350 babies being tested for lead poisoning.

A City sponsored half-way house for ex-mental patients relies upon Urban Corps interns to staff its arts program, featuring dance, dramatics, arts and crafts. It has been able to expand its patient enrollment only because of the supplemental staff of college interns (mostly psychology mojors, and masters candidates seeking degrees in psychiatric social work).

At the Staten Island Institute of Arts and Sciences, Urban Corps interns designed and completed the research for an exhibit titled "The History of the Black Man in Staten Island". They also founded the "Staten Island Ecology Action Center", which, operating out of a store-front, sought to inform Staten Island residents of its ecological plight, and suggest alternatives in the present course of environmental distruction.

In summing up the activities of the Urban interns assigned to the Laboratory Department of Fordham Hospital, Dr. Norman Pfieffer, Chief of Pathology said, "Without their help (Urban Corps interns) . . . we would not have been able to provide full patient services in the laboratories this summer".

In short, Urban Corps College Work-Study interns have been indispensable in the delivery of City services.

When the College Work-Study Program was initiated, it was seen as a means of assisting financially needy students to remain in college. Operating off-campus through the Urban Corps we have seen the work-study program develop into a means of involving students in the management of our communities by allowing them to participate in the best civics lesson they could ever receive—to learn by doing.

Educationally, students have an opportunity, through the Urban Corps, of expanding their learning outside the walls of the college campus; of being able to relate classroom knowledge to real world situations.

Part of the frustrations on the campuses of the 1960's was due to an inability of students to find a constructive outlet for change within established systems. The Urban Corps, for thousands of students, has provided that outlet.

Working side-by-side with civil servants, college students have been able to understand the complexities of their government, and come to appreciate the difficult battle that public servants face in delivering City services. They have become part of a team that brings communities together to resolve City problems, and have gone back to their campuses with a new respect for municipal government.

At the beginning of one Urban Corps summer program, 80% of our 3500 interns characterized large city government as "inefficient", "not open to new ideas".

At the end of the same summer that same percentage was reversed, as a full 78% of our interns felt the agency that they worked for was "efficient and open to new ideas". This attitude change was only possible through a program that offers students an opportunity to become intimately involved in our bureaucracy, to understand its difficulties and become committed to *constructive* change.

Based upon our success here in New York City, 70 other communities, nationwide, have initiated Urban Corps programs. Cities like Minneapolis, Atlanta, Dayton, Detroit, Chicago and Boston have successfully duplicated broad based CWSP funded off-campus internship programs.

We now come to a most crucial turning point; shall cuts in Federal aid to Higher Education be made on a wholesale basis, or are we not committed to view each and every aid program on its merits.

The College Work-Study Program is not just another means of supplying dollars to needy students, although it does accomplish that end quite well.

The larger and more important story is that through the Urban Corps' program in New York City and in cities around the nation, Work-Study has provided an opportunity unique in higher education and city management. It is a cooperative venture that injects our cities with new ideas brought by students eager to get a job done and make their influence felt, while offering students educational opportunities and career guidance that our universities cannot offer.

In the face of this evidence we must not cut Work-Study funds. Instead, we must see to it that they are increased to their maximum level of funding.

ADDENDUM

(June 1974)

Our office now coordinates a National Association of Urban Corps programs. The intention of the Association is to establish a flow of information exchange so that we can contribute to each other's progress and development, and develop a national posture on issues such as the College Work-Study Program which greatly effect us.

MAY 23, 1974.

DIRECTOR, HIGHER EDUCATION, REGION V,
OFFICE OF EDUCATION, DHEW,
300 South Wacker Drive,
Chicago, Ill.

DEAR SIR: The work-study award for Belleville Area College for the 1975 fiscal year will be approximately $12,234. This figure is based upon our $31,600 panel award times the 38.714245 uniform state percentage of Illinois. This reduced amount, down from $26,077 for fiscal year 1974, has caused me great concern.

Much of the responsibility for the reduced work-study award has a result of lack of experience of Belleville Area College in the field of financial aids. Another factor could be that Belleville Area College deobligated $10,000 work-study funds for fiscal year 1974; however, it was explained by the Office of Education that the deobligation would not be held against any school in determining future awards.

The Office of Education must also shoulder the responsibility for the Belleville Area College reduced work-study award. The seminar conducted by the OE in Bloomington, Illinois on Oct. 11 and 12, 1973 led me to believe that very accurate information and realistic requests were essential for consideration of funds. We were told that inflated student cost figures and unreasonable requests for funds would be rejected. I believe the information that was passed out at that meeting, and submitted the tripart application accordingly. The cost budget for room, board, and personal expenses for students estimated by Belleville Area College is compiled to be about $1,600. This is a very realistic figure for the Greater St. Louis Area. I also anticipated an increase of 130 head count. This figure was based upon the tremendous amount of area and population size, District #522 was to increase because of the Illinois law that requires all areas of the state to be included in a Junior College District by July 1, 1974. The areas being added to the district have populations with substantial need which also had a bearing on our request for work-study funds.

The $1,600 cost figure for room, board, and personal expenses was considered excessive by the Office of Education and reduced to $1,150. We were informed of this by the notification of Regional Review Action letter and informed of the appeal procedures. The reduction of expenses, needless to say, knocked the heck out of our work-study request. I accepted the reduction and did not appeal, instead I contacted several Junior College Districts and found that they had been treated similarly. Based on the replies of other community colleges, I was satisfied with the answer. In retrospect I now wonder if the Junior College Districts, at least in Southern Illinois were *discriminated* against.

Belleville Area College received the Basic Education Opportunity Grant payment schedule only to find that the same Office of Education that used $1,150 as an average for room, board and personal expenses for computation of work-study awards now thinks that $1,500 is a reasonable figure. I challenge the logic of the Office of Education that states for the same period of time (fiscal year 1975) two programs administered by the same agency can have two different sets of costs. Perhaps the Office of Education uses different averages for different classes of students, for different programs, for different areas, etc. If so, then this should be investigated.

Based upon the above information, the work-study award for Belleville Area College should be recomputed. I am aware that the normal channel for appeals has long been closed but the needy students will benefit from a higher work-study award than $12,234. This request is not unreasonable because if Belleville Area College would have received an award near the dollar amount requested on the 1974–75 Tri-Part application, OE Form 1036 9/73, than obviously we would have no problem.

Again, to reiterate, because of lack of experience my office was not able to effectively operate within the accepted system. The real question is why should the needy student suffer as a result of both my lack of responsibility concerning the appeal procedure and the Office of Education's seeming inconsistencies.

Sincerely yours,

LEE H. KNOEBEL,
Financial Aids Coordinator, Belleville Area College.

YELLOW SPRINGS, OHIO, *May 29, 1974.*

Hon. JAMES G. O'HARA,
Chairman, Special Subcommittee on Education, House Education and Labor Committee, House Office Building 2241, Washington, D.C.

DEAR CONGRESSMAN O'HARA: I have read with interest and endorsement the testimony of Mr. Kenneth T. H. Brooks of the University of Maine regarding the "potential of Cooperative Education in encouraging higher education opportunities for the *rural* poor."

I am writing you in particular regarding a further recommendation of Mr. Brooks which I heartily endorse.

The enhancement of a student's education and the chance to earn his way are of far greater importance than the length and method of scheduling the work experience. Much would be gained, I believe, from striking from Sect. 451 (a) the words ". . . . . that alternate periods of full time academic study with periods of full time public or private employment."

Following a life long experience in cooperative education, college teaching and administration, I now serve as an active consultant to some thirty colleges and universities from New Hampshire to California. Included in these institutions are private and public colleges and universities, two and four year colleges in both rural and urban areas.

For some time I have been suggesting to the United States Office of Education that the Federal legislation should define cooperative education in comprehensive and accurate language and not in narrow specifics which exclude well-known and varied forms of effective cooperative education programs. Such a comprehensive formulation might be stated as follows:

"Cooperative Education is an organized plan for arranging and utilizing non-classroom experiences as an integral part of a student's college program."

This statement:

1. Does not limit cooperative education to the alternation of full-time study periods with full-time employment periods. There is a considerable number of two and four year colleges with highly successful cooperative education programs in which students study and work concurrently (part-time study and part-time

work) on varying forms of alteration within a weekly schedule. The principles of placement, supervision, and educational relevance can apply in many forms of alternation in both undergraduate and graduate education, and in both day and evening programs.

2. Does not limit cooperative experiences only to paid employment, recognizing that voluntary service may offer excellent educational opportunities for individual students in situations where funds are not available for monetary compensation.

It does seem desirable for the legislative description to give some meaningful and inclusive characterization of cooperative education such as: "The purpose of cooperative education is to provide for students work or other comparable nonclassroom experiences which, combined with academic studies and suitable counseling, enhances their education and career or professional preparation. Although financial assistance is not the major purpose of a cooperative education program, it will assist many students to finance a college education."

A further statement might be included: "Cooperative Education programs operate on varied schedule patterns of combining study and work experiences—some on alternating periods of study and work; some on longer periods of full time internship, etc. Cooperative programs may serve students in any area of undergraduate study—agriculture, business, education, engineering, forestry, liberal arts, science and other pre-professional fields. Cooperative programs may also be arranged in graduate and professional schools; also in adult education programs."

Perhaps there should also be included something to the effect that . . . "Cooperative Education programs require the interest and participation of a wide range of employers and agencies in all fields of endeavors who cooperate with a college or university in this plan of educating and training human talent. For employers, cooperative education serves as a useful and economical way to a potential source of well-prepared personnel for future full-time employment."

Finally, the following might be an appropriate statement to include in the legislation: "Colleges or Universities projecting cooperative education programs which includes a substantial amount (not defined but assumed to be more than one summer period?) of non-classroom experience, and which are organized and supervised for students as an integral part of their educational course, are eligible for federal grants to plan and develop such programs under duly authorized appropriations of this act."

I offer these recommendations to you and your committee with the hope they will be useful in your deliberations. I will be glad to respond further in any way that may be helpful.

Sincerely yours,

J. Dudley Dawson,
College Consultant on Cooperative Education.

P.S.—I have also served extensively as a consultant for the National Commission for Cooperative Education although the above recommendations do not necessarily represent the official views of the Commission.

Sullivan Business College,
Louisville, Ky., May 30, 1974.

James G. O'Hara,
Chairman, Congress of the United States, House of Representatives, Committee on Education and Labor, Special Subcommittee on Education, 320 Cannon House Office Building, Washington, D.C.

Dear Congressman O'Hara: In response to Dick Fulton's letter and your letter of May 23 concerning our experiences with the College Work-Study Program, may I share a few highlights and successes with you.

Since our entry into the College Work-Study Program, we have seen the program grow and prosper at our institution. Some of the reasons for these successes have been:

(1) the type of student who chooses to attend a private business college and their special drives and work attitudes.

(2) because we are proprietary, all of our CWS jobs are in off-campus public service type organizations who really have a need for help, and where our student really sees a purpose and results from their work efforts.

Enclosed with this letter is a copy of our college newspaper, describing how the CWS Program works at Sullivan. I am sure that many other institutions like ours have had similar experiences.

We have found in case after case where a CWS afterschool job has meant the difference in staying in school or having to quit. This job means lunch money, bus fare, clothing funds, and has met other needs.

Because we have used these funds for the needy student from very poor families, we have seen cases where the very first job the CWS Student received after graduation from Sullivan more than doubled his or her families total income for the past year. Yes, a CWS job and the training it enabled the student to afford, helped break that poverty cycle for this student.

In addition, we feel strongly that the requirement that proprietary schools use only non-profit, off-campus employment for CWS jobs is in fact a tremendous benefit for both the schools and the student. We don't have any make-work jobs such as three people washing the same window pane. Every job our students receive is at agencies where a position exists and where there is a definite need for help. Some of the agencies we presently serve in our community are the Salvation Army, March of Dimes, Heart Association, Legal Aid, Social Security, Red Cross, Muscular Dystrophy, Senior House, Actors Theatre, YWCA, YMCA, and many others.

What a wonderful opportunity for the student to serve and the agency to be served with a minimum contribution.

In summary we strongly feel that the College Work-Study Program funds, as we have used them, have been a rewarding and meaningful experience for both the college and the students involved.

We hope the information we have shared with you will be of some help to your committee. We also hope the program will be expanded and continued in future years.

Our students need the program and the organizations we work with need the program; and everyone, the student, the non-profit organization, and the community benefit from the CWS Program at Sullivan.

Sincerely,

A. R. SULLIVAN,
Executive Vice President.

Enclosure.

"COLLEGE WORK STUDY" HELPS SULLIVAN STUDENTS MOVE AHEAD

(By Francine Bowers)

The College Work Study Program (CWSP) was originated by the Federal Government in order to provide financial assistance to students who need it. Need is determined from a Parents' Confidential Statement of Income. Essentially, the family income must be under $7,500 per year in order to qualify. If a student comes from a very large family, the income level may be somewhat higher.

The college, through our Financial Aid office, finds the jobs for the students. The jobs must be at a non-profit organization that is not affiliated with any particular religious group. The student earns $1.75 per hour, of which, the federal government pays 80% and the organization that employs the student pays the other 20%.

There are approximately 45 Sullivan students presently enrolled on this program and the students generally work two hours a day after school. The normal hours are 3:00-5:00 p.m., Monday through Friday. If a student's need justifies it, a student may work 15 hours a week while in school, and up to 40 hours a week during vation periods.

By working on this program, students are able to reduce the amount of loans they often need in order to attend Sullivan. The program has other advantages too. Advantages such as having the opportunity to see what the business world is really like. The students employed on this program learn to cope with different kinds of people and situations which will be valuable to them in their future office jobs. Not only do the students learn on the job, but they have the opportunity of using the many skills they have learned while attending Sullivan.

If you need financial assistance in paying for tuition, feel free to see Mrs. Sullivan in Room 433, who is Financial Aid Director here at Sullivan.

Below you will find some comments CWSP students have made regarding their jobs.

MY COLLEGE WORK-STUDY JOB BY PHYLLIS SCHOENBAECHLER

Upon entering the College Work-Study program, I was given a job at the Legal Aid Society which is located at 307 S. 5th St. The school placed me at Legal Aid because I am studying to be a Legal Secretary.

My duties include filing, typing, operating a desk-top switchboard, and running errands at the courthouse. I have learned many things during my six months at Legal Aid, particularly how to deal with the public. I had never before experienced being in a situation in which I dealt with people of very low incomes and people with serious emotional and physical problems.

Working at Legal Aid has given me valuable experience and has enriched my life to where I am now better able to take orders, organize my work and run an office. I also have a better understanding of the laws and legal forms that pertain to adoptions, divorces and general court actions.

I have been fortunate to have a job at Legal Aid because I get to work with about twenty intelligent lawyers who are an asset to their community. They always have a nice word and a pleasant way of letting you feel you really belong to the Legal Aid staff. The salary I earn has also helped with my college expenses.

BERNADETTE TAYLOR

Through the College Work Study Program, I am employed by Juvenile Court, which is located at 6th & Jefferson Streets. (College work-study jobs are usually within easy walking distance of the school.)

My duties are operating a microfilm machine and filing. I also handle incoming calls from clients by directing the calls to the proper social worker. To do this I must determine what type of case the person calling has, and if it concerns a juvenile or an adult.

I feel that my participation in this program has given me valuable on-the-job experience and a greater insight into city government. In addition, I receive $1.75 per hour which helps me pay for some of my educational expenses.

SPENCERIAN COLLEGE,
Louisville, Ky., May 20, 1974.

Hon. JAMES O'HARA,
House of Representatives,
Washington, D.C.

DEAR SIR: It is my understanding that the special subcommittee on education in the House of Representatives is now holding hearings regarding the College Work-Study Program. It has been my experience, through working with the College Work-Study Programs at Sullivan Business College and Spencerian College both proprietary schools located in Louisville, Kentucky, that the College Work-Study Program has been extremely successful. Through its use we have seen many worthy young people gain training through their own work efforts and enter respectable employment.

If necessary, I could document specific cases where I have seen young persons from welfare families earn their education through the College Work-Study Program and enter good positions in the business world.

Since entering the College Work-Study Program, the two schools have contacted with 36 non-profit agencies within our community; and have not only served students well, but have served the non-profit community. As you well know, our schools are unable to employ Work-Study students and must work all of them in these non-profit agencies.

Again, I would like to speak to the success of the College Work-Study Program in our institutions and hope that your committee will be able to recommend continuing this program.

Sincerely yours,

HARRY V. WEBER,
Executive Director.

MASSEY-DRAUGHON BUSINESS COLLEGE,
Montgomery Ala., May 21, 1974.

Hon. JAMES G. O'HARA,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN O'HARA: I remember the outstanding remarks that you made at the banquet of the AICS Convention in Las Vegas last fall.

Mr. Richard Fulton, Executive Director, General Counsel of AICS has just told me of the hearings in your Committee in the House on College Work-Study. It is my desire to furnish you with our experience under the College Work-Study Program here in Montgomery, AL. I have said many times that of all the federal programs that are available for students, I consider the College Work-Study Program one of the most important.

The local bank that handles all of our FISL Programs for our students has told us that our default rate is less than 1%. We believe that one of the big reasons for this, Congressman O'Hara, is because of College Work-Study. My judgment is made on this for the following reasons:

1. It allows the young people entering our training program immediately out of high school to supplement their meager earnings with individual paychecks. Many of our students have had no opportunities other than babysitting and other menial tasks.
2. It allows the student to complement their training program by working with professional people in the student's area of training.
3. Since the student knows that the school is going to ask for interim evaluation of their performance, (see attachments) it is an incentive for them to do their very best since it is known that this work performance will become a part of their recommendations for permanent employment.
4. Students are aware of the policy that in order to be assigned to College Work-Study Programs, they are required to be students in good standing as outlined in the College Work-Study regulations.

I am enclosing a clipping from our daily newspaper of February 13, 1974, which greatly proves the point that I wish to make. When Miss Stephens graduated from Jefferson Davis High School in June 1971, she entered Massey-Draughon Business College. Since she qualified for the College Work-Study Program, we placed her in the attorney general's office as soon as she demonstrated her scholastic abilities.

The College Work-Study Program, Congressman O'Hara, as we know it here in Montgomery, AL has made it possible for all qualifying students to have a part-time job opportunity. We would urge the House of Representatives to expand the College Work-Study Program. An interruption of this facet of education would be disastrous for many, many young people in Montgomery, AL. Naturally, since we are in proprietary education, all of our students are on off-campus projects. A very thorough analysis is made of their capabilities, and we make certain that we places these students in areas in which they can make a *real contribution* to the agency where they are employed.

If there is anything that I can do to personally assist you and your committee to continue this very important program, to insure the financial security of our young people, I await your instructions.

Sincerely,

J. E. LEONARD,
President.

Enclosure.

[From the Alabama Journal]

PAULINE STEPHENS

Born and raised in Montgomery, Pauline Stephens enjoys her work in the State Administrative Building.

She has worked in the attorney general's office since June of 1972, a little more than a year after she graduated from Jefferson Davis High School.

Praised as a super efficient secretary by Atty. Gen. Bill Baxley, Miss Stephens is a graduate of Massey-Draughon Business College.

She lives with her mother, Mrs. Pauline Stephens, in a house on Hardaway Street, and believes her most favorite pastime is work.

She started to high school at Booker Washington in Montgomery and later finished at Jefferson Davis.

Twenty years old, she says of her job, "I'm going to remain here and see what happens."

She says she has no further plans for the immediate future.

PRINCE GEORGE'S COMMUNITY COLLEGE,
Largo, Md., July 5, 1974.

ELNORA TEETS,
Clerk, Special Subcommittee on Education.

DEAR MS TEETS: Greetings. I am attaching a revised copy of my paper for your inclusion in the hearing record on cooperative education and work-study.

Please offer my very best wishes to Congressman O'Hara and send me a copy of the hearing record after it is published (at the end of July?)

Best regards.

Sincerely,

FRANCIS SHIEH,
Professor of Economics.

PAPER BY FRANCIS SHIEH, PROFESSOR OF ECONOMICS, PRINCE GEORGES COMMUNITY COLLEGE, LARGO, MD.

Community College Education as a Source of Economic Development[1]

The development of human resources (human capital) to free people from the hardship of poverty and ignorance in the sharing of benefits is gladly and encouragingly viewed by economists and educators.

Men are now seeking to find more food supplies and energy sources, more steady employment and increasing responsibility with dignity, better education and training for enhancing productivity in every stage and phase of economic performance.

We all know that the development of an education system and the formulation of an education policy are linked with economic evolution. The fact of increasing enrollment in community colleges is a concrete evidence of the role of such division in the education sector in contributing to the labor factor of production.

As the expression goes, "One has a sense of shame and honor only when one's livelihood is assured." One ought to be realistic in order to satisfy one's basic needs and the acquisition of a certain skill to earn a living can easily be attained by attending community colleges.

Besides imparting knowledge and skills, we need to cultivate a problem-solving attitude among students. This can be done not through dull standards which are unexciting or meaningless to the novice but through work-study programs that can be available in the patterns of community colleges. With expansion in community colleges the best brains are absorbed into academic life and industries which are vital to economic growth. We need to create more opportunities for all who are involved in business and industry. Community colleges would be engaged in innovations in academic curricula and teaching. Community college educators would feel, in my judgment, that we have a commitment in our economic future.

Human resources are more important than material resources in economic development. For without adequate human resources, material resources cannot be adequately utilized by men for the benefit of all. And human resources can be developed only, as I see it, if education at the community college level would be available to all our people. The low tuition fees have an effect in terms of cost.

There can be no doubt that as a source of manpower development and training, Community Colleges have become highly significant to industry and business world.

Training processes are analogous to production processes; they transform input (unskilled) into output (skilled) using human capital instruments (community colleges) and personnel (educators) and processes (training programs).

Manpower training and policy is always the component of modern American economic life.

Objective.—One objective of this paper is to assure fellow economists the qualitative dimension of scientific and technological manpower development in American community colleges. A significant factor in the sustenance of the

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[1] This paper is to be delivered at the Second Annual Atlantic Economic Conference to be held September 27–28, 1974 in Richmond, Virginia.

Nation's economy is the capacity and capbility to provide trained technical personnel at the grassroots level. Since there seem to be no fully agreed upon definitions of the terms "technician" and "technologist," these terms will be used without specific distinction. Technical training programs are those which have as their primary aim preparation for tertiary (para-professional) and productive employment. The Community College Programs have expanded greatly during the past decade. (Cf. *Keys for Economic Understanding* by Francis Shieh (Kendall/Hunt, Dubuque, Iowa 1971, *Manpower Report of the President*, April 1974 *Occupational Outlook Handbook* 1974–75), and *Budget in Brief*, Fiscal Year 1975. These education programs are designed to provide a firm base for continuing education even when the worker's education is interrupted by periods of employment. Such programs will have as their primary emphasis the basic scientific, engineering, and mathematical knowledge upon which necessary and specific skills may be set and built. To sum up the rationale as follows—

1. A sound scientific and technical basis for continuing professional growth in the intermediate range for immediate applications.
2. An ability to adapt to technological advances.
3. Job entry skills for employment in scientific and technological activities.

Projections to 1976.—Leading up to the observance of our 200th anniversary, four States have been selected to establish the pilot phase of a program that will highlight the contribution of education to the Nation's economic development.

Alabama will study the role of educational institutions, such as community colleges. The results will be incorporated in high school social studies courses and broadcast statewide over educational TV.

Projections to 1982–83.—Enrollment in community colleges would be in the neighborhood of 3,000,000 with an increase of 25% from 1972 to 1982 and four-year institutions of 6,000,000 (crica) with an increase of only 3%.[3] Such trends would be clear in terms of the topic of this paper.

Epilogue.—The trend toward occupational education in community colleges will continue at an accelerated pace, as is evident from the fact that 135 of the 160 programs projected for introduction in Maryland's community colleges between 1974 and 1979 will be in occupational areas. The scenario appears to be economizing the cost of tuition, optimizing the amenity of individualized instructions and maximizing the benefits of career-oriented people.

PAPER BY R. JERROLD GIBSON, HARVARD UNIVERSITY

The College Work-Study Program and Its Allotment Formula for the States

For several years, it has been apparent that the state allotment formula under the College Work-Study Program has yielded uneven results. Repeatedly one state has been funded at 100% of its panel-recommended amount, while another state is funded at 60%, even where the awards were recommended by exactly the same regional panel. For the fiscal year 1973, the funding percentages range from 100% for Georgia, Indiana, Pennsylvania, and South Carolina to 39.5% for the District of Columbia, Massachusetts, Montana, and Oregon.

The Education Amendments of 1972 take account of past inequities, and provide for some flexibility in the allotment formula. Ninety percent of the available funds are allotted under the basic formula, and ten percent are designated for the Commissioner to be used in accordance with equitable criteria established by him to carry out the purpose of the act. However, this flexibility in the use of funds granted to the Commissioner is not sufficient to compensate for the conspicuous inequities in the formula itself for the distribution of funds among the states.

One other significant change which has a bearing on this formula has now been written into the legislation. In Section 135 of the Education Amendments of

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[3] Official data from the U.S. Office of Education to be modified by the author in estimation.

1972, it reads that "Section 441(a) of the Higher Education Act of 1965 is amended by striking out 'from low income families' and inserting in lieu thereof 'with great financial need.'" The text then reads: "The purpose of this part is to stimulate and promote the part-time employment of students, particularly students with great financial need."

Work-Study began under the aegis of the poverty program (Economic Opportunity Act of 1964). Now, however, it is a part of student financial assistance in higher education. As such, it is less an effort to help the poor (those with incomes below a certain dollar level), and more an effort to respond to the financial need of those who are presently enrolled in higher education.

This change in the statement of purpose and intent of the act is significant because of its bearing on the allotment formula. Under the prevailing legislation, the formula is established in this way: the percentage allotted to each state shall be a combination of the percentages obtained in the following ways: (a) one-third of the percentage shall be obtained by dividing the total number of full-time students in higher education in a given state by the total of such students in all states; (b) one-third of the percentage shall be obtained by dividing the total number of high school graduates in a given state by the total number of high school graduates in all states; and (c) one-third of the percentage shall be obtained by dividing the total number of related children under 18 from families with incomes under $3000 in a given state by the total number of such children in all the states.

This allotment formula from earlier legislation is patently unfair. For fiscal 1973, with a total appropriation of $270,200,000, it means that some states are funded at 100% of their panel approved amounts (indeed, some even exceeded 100%), while others are funded at drastically low percentages of panel-approved amounts (District of Columbia—39.3%; Massachusetts—29.9%; Montana—21.3%; and Oregon—31.5%). Only because some states had *more* funds assigned to them than had been approved by regional panels was a slight redistribution of funds possible. Thus a total of $4,124,436 was released from Georgia, Indiana, Kentucky, Pennsylvania, South Carolina, and Puerto Rico. With a reallocation of this amount, the adjusted state percentages are found in Table I.

It should be noted that a floor of 39.5% for some states was possible only because other states could not use all the funds assigned to them. The under-funded states had to see how much would *not be* used by those generously funded.

The new legislation retains the old formula, but provides that only 90% of the appropriation shall be so allotted, and that 10% shall be reserved for the discretion of the Commissioner to carry out the purpose of the Act. Even this provision, however, does not compensate for the inequity of the formula itself.

To illustrate, let us assume an appropriation level of $300 million. Table II suggests what would happen at such a level. $270 million would be distributed according to the old formula, and so would result in the state allotment figures for fiscal 1973 *before* adjustments. $30 million would then be used by the Commissioner to try to bring equity. The Table shows that an effort to bring all states up to a point where they would be funded at 60% of the panel-approved amount would cost almost $30 million. This estimate assumes panel-approved amounts as reported for fiscal 1973, and since those figures will undoubtedly increase, the actual "floor" figures will not be as high in the future.

The point, nevertheless, is abundantly clear. If we continue to honor the old allotment formula, inequity among the states will continue, despite the discretion given to the Commissioner and despite an increased level of appropriation. The formula as presently constituted does not accomplish the purpose intended when, no matter what adjustments, financially needy students in some states are supported with federal funds at substantially higher levels than in other states.

The inequity persists despite the change in statement of purpose in the legislation which clearly attaches greater importance to the number of students in a given state who are in financial need.

A comparison of statistics about percentages of students in higher education and percentages of high school graduates is illuminating because it reveals which states are educating more than their share of students, and which states are not even educating a representative share of their own students. Table III in the appendix indicates that certain states are conspicuous for the fact that they do not educate a comparable percentage of their high school graduates (e.g. Alabama, Arkansas, Georgia, New Jersey, North Carolina, and Virginia). On the other hand, certain other states clearly educate more than a representative share of their own high school graduates (e.g. California, Colorado, District of Columbia, Massachusetts, New York, and Utah).

Obviously there are proportionately more students in the latter group of states and fewer in the former. The irony is that under the present Work-Study allotment formula, the former group is funded at notably higher percentages of their panel-approved amounts, while the latter group includes states that are at the very bottom of the ladder in funding percentages. Those states which are bearing the least responsibility for educating their own students are receiving a lion's share of federal funding under this program, and states which are doing more than their share are suffering the shortfall. Or to put it another way, a poor student attending school in Georgia has a much better chance of receiving federal financial assistance under the Work-Study Program than one attending school in Massachusetts or Oregon. In some instances, at the moment, the student's opportunity is two and a half times better in one state than in another, and this on the assumption that he has the same magnitude of financial need.

There is an additional available statistic that has a direct bearing on the determination of financial need as it exists among the states. Each regional panel of financial aid officers, sponsored and supervised by the Office of Education, determines the approved amount of Work-Study funds to be authorized for the various schools within its region. The total for each state could be divided by the total for all states, and we would have a percentage reflecting much more accurately the financial need as it actually exists among students across the country.

In considering a revision of the formula, two concerns seem especially appropriate. We do not want a drastic disruption of the present method of distributing funds lest ongoing programs and students be made to suffer. Secondly, we need to take more formal account of the actual financial need as it exists among students in various parts of the country. The most immediate goal is to reduce the inequity in percentage of funding as it presently prevails.

If we take the present distribution formula, and hold it to represent half the percentage for distribution among the states, and assign the other half of the percentage to the financial need as it is determined by the regional panels of financial aid officers, we have adjusted the formula and still not brought a difficult disruption. States with the lowest percentages have improved their position slightly, and some at the other end of the percentage scale have seen a modest reduction. Table IV illustrates what happens to the combined percentage, and to the percent of funding.

If we assume a funding level of $300 million, we then have $30 million available for redistribution by the Commissioner. The advantage of the new formula is that such redistribution can bring *all* states up to a 70% of funding level. Table IV shows the amount needed by each state to bring its funding to the 70% of funding level. Many other minor adjustments are possible in this formula for allotment, but this seems to be the best way to bring states with the lowest percentage of funding to the 70% level under a $300 million appropriation. It also makes the most sense in a theoretical way because it is giving equal weight to census data on the one hand, and to demonstrated financial need on the other.

Under the old formula, and with a $300 million appropriation, we could do little better than offer a 60% funding percentage to states that have repeatedly had more need and less money. Under the new but not radically different approach, we can work for a 70% funding percentage floor for everyone. The millenium may not have arrived, but certainly there will be more equity in the use of available resources.

There is no question that financial need among students will continue to increase since costs will continue to climb. Thus regional panels will authorize higher allotments. The inequities under the present formula will only be magnified unless reasonable adjustments can be made.

At the time of its determination, no one knew how the new formula would in fact work, but it represented an imaginative and novel approach to a difficult problem. It is now clear that the formula needs adjustment, and those concerned for equity earlier should be just as willing to improve their handiwork where improvement seems in order.

TABLE I.—FISCAL 1973 CWSP ALLOCATIONS, BY STATE

States	Percent of funding panel approved amounts	Allocation amount	States	Percent of funding panel approved amounts	Allocation amount
Alabama	64.63	$6,463,358	Montana	39.50	2,010,573
Alaska	63.43	295,729	Nebraska	89.94	2,229,103
Arizona	63.77	2,469,382	Nevada	49.48	380,788
Arkansas	84.87	3,764,266	New Hampshire	41.62	879,679
California	46.58	22,827,084	New Jersey	79.90	6,056,485
Colorado	47.92	3,080,464	New Mexico	52.56	1,757,663
Connecticut	73.47	2,983,769	New York	66.23	19,442,753
Delaware	78.77	629,005	North Carolina	76.87	9,326,215
District of Columbia	39.50	1,256,872	North Dakota	59.37	1,226,622
Florida	85.74	7,659,214	Ohio	80.26	11,743,501
Georgia	100.00	7,112,944	Oklahoma	63.76	3,858,269
Hawaii	80.15	990,385	Oregon	38.50	3,478,613
Idaho	66.92	1,056,849	Pennsylvania	100.00	13,557,868
Illinois	52.64	11,845,983	Rhode Island	52.80	1,198,584
Indiana	100.00	5,546,662	South Carolina	100.00	4,700,192
Iowa	75.06	4,230,872	South Dakota	62.81	1,310,727
Kansas	65.52	3,221,205	Tennessee	79.14	6,761,664
Kentucky	100.00	5,383,056	Texas	86.46	15,934,894
Louisiana	87.02	6,443,023	Utah	64.70	1,799,714
Maine	50.08	1,340,441	Vermont	45.47	698,601
Maryland	78.13	4,088,644	Virginia	85.12	6,345,475
Massachusetts	39.50	8,956,290	Washington	58.59	4,208,993
Michigan	71.86	10,454,791	West Virginia	82.51	3,200,047
Minnesota	47.19	5,357,433	Wisconsin	43.53	5,776,636
Mississippi	76.75	5,422,611	Wyoming	42.45	480,921
Missouri	78.81	6,218,669			

With a $300 million CWSP appropriation, $270 million would be allocated by formula. If the remaining 10 percent ($30 million) were distributed so that all States would be brought up to a 60-percent level of funding (of 1972 panel recommended amounts), the 10 percent discretionary amount would be allocated as follows:

TABLE II.—*Discretionary allocation*

States	*Discretionary allocation*	*States*	*Discretionary allocation*
Alabama	----------	Nebraska	----------
Alaska	----------	Nevada	$80,908
Arizona	----------	New Hampshire	388,465
Arkansas	----------	New Jersey	248,448
California	$6,575,717	New Mexico	----------
Colorado	776,110	New York	----------
Connecticut	----------	North Carolina	----------
Delaware	----------	North Dakota	19,126
District of Columbia	691,445	Ohio	----------
Florida	----------	Oklahoma	----------
Georgia	----------	Oregon	2,513,702
Hawaii	----------	Pennsylvania	----------
Idaho	----------	Rhode Island	163,237
Illinois	1,654,947	South Carolina	----------
Indiana	----------	South Dakota	----------
Iowa	----------	Tennessee	----------
Kansas	----------	Texas	----------
Kentucky	----------	Utah	----------
Louisiana	----------	Vermont	223,231
Maine	265,237	Virginia	----------
Maryland	----------	Washington	101,171
Massachusetts	6,832,957	West Virginia	----------
Michigan	----------	Wisconsin	2,185,032
Minnesota	1,453,358	Wyoming	198,734
Mississippi	----------		
Missouri		Total	26,340,937
Montana	1,970,112		

TABLE III

States	OE percentage for present CWSP allocation by State	Percent full time students in higher education	Percent of total high school graduates	Percent of related children under 18 for families w/less than $3,000 income	Percent of total population by State
Alabama	2.39	1.36	1.75	4.19	1.69
Alaska	.11	.08	.13	.11	.15
Arizona	.91	1.11	.85	.82	.87
Arkansas	1.39	.73	1.01	2.55	.95
California	8.45	11.43	10.08	4.83	9.82
Colorado	1.14	1.52	1.17	.78	1.09
Connecticut	1.10	1.47	1.34	.49	1.44
Delaware	.23	.27	.27	.18	.27
District of Columbia	.45	.87	.19	.38	.37
Florida	2.80	2.69	2.72	3.31	3.34
Georgia	2.73	1.68	2.20	4.59	2.26
Hawaii	.37	.42	.40	.23	.39
Idaho	.39	.44	.47	.31	.35
Illinois	4.38	4.08	4.90	3.35	5.47
Indiana	2.19	2.48	2.70	1.70	2.56
Iowa	1.56	1.48	1.70	1.50	1.39
Kansas	1.19	1.40	1.29	.95	1.15
Kentucky	2.01	1.29	1.45	3.27	1.58
Louisiana	2.38	1.62	1.69	3.84	1.79
Maine	.50	.42	.54	.50	.49
Maryland	1.51	1.72	1.79	1.27	1.93
Massachusetts	2.51	3.70	2.47	1.17	2.80
Michigan	3.87	4.33	4.67	2.76	4.37
Minnesota	1.98	2.16	2.34	1.62	1.87
Mississippi	2.01	.98	1.15	3.99	1.09
Missouri	2.30	2.27	2.14	2.55	2.30
Montana	.40	.43	.44	.33	.34
Nebraska	.82	.90	.82	.83	.73
Nevada	.14	.15	.21	.08	.24
New Hampshire	.33	.40	.33	.17	.36
New Jersey	2.24	2.32	3.34	1.39	3.53
New Mexico	.65	.56	.62	.78	.50
New York	7.20	9.63	7.72	4.89	8.98
North Carolina	3.45	2.03	2.66	5.73	2.51
North Dakota	.45	.40	.39	.50	.30
Ohio	4.35	4.70	5.59	3.34	5.24
Oklahoma	1.43	1.49	1.40	1.73	1.03
Oregon	1.03	1.26	1.25	.54	1.03
Pennsylvania	5.05	4.97	5.85	4.12	5.80
Rhode Island	.44	.56	.39	.30	.47
South Carolina	1.87	.85	1.35	3.50	1.27
South Dakota	.49	.42	.45	.61	.33
Tennessee	2.50	1.80	1.89	3.99	1.93
Texas	5.90	5.40	5.37	7.95	5.51
Utah	.67	1.02	.71	.29	.52
Vermont	.26	.29	.24	.20	.22
Virginia	2.35	1.74	2.25	3.38	2.20
Washington	1.56	2.04	1.95	.83	1.68
West Virginia	1.18	.83	1.01	1.76	.86
Wisconsin	2.14	2.36	2.58	1.35	2.17
Wyoming	.18	.19	.21	.13	.16
U.S. Service		.27			

TABLE IV.—FORMULA FOR AWARDS ($270,000,000): ½ OF PERCENTAGE TO COME FROM PRESENT W-S ALLOCATION FORMULA; ½ OF PERCENTAGE TO COME FROM PANEL-APPROVED AMOUNT FOR THE STATE DIVIDED BY THE TOTAL OF PANEL-APPROVED AMOUNTS FOR ALL THE STATES

State	State percent	Amount	Percent of funding	Additional funds needed for 70 percent level of funding
Alabama	2. 42	$6, 538, 840	65. 4	$461, 187
Alaska	. 11	297, 220	63. 8	29, 100
Arizona	. 93	2, 512, 860	64. 9	197, 658
Arkansas	1. 26	3, 404, 520	76. 7	
California	10. 20	27, 560, 400	56. 2	6, 741, 701
Colorado	1. 36	3, 674, 720	57. 2	824, 617
Connecticut	1. 05	2, 837, 100	69. 9	
Delaware	. 22	594, 440	74. 4	
District of Columbia	. 62	1, 675, 240	52. 6	552, 128
Florida	2. 50	6, 755, 000	75. 6	
Georgia	2. 24	6, 052, 480	85. 1	
Hawaii	. 34	918, 680	74. 4	
Idaho	. 39	1, 053, 780	66. 7	51, 650
Illinois	4. 95	13, 374, 900	59. 4	2, 376, 185
Indiana	1. 78	4, 809, 560	86. 7	
Iowa	1. [illegible]7	3, 971, 940	70. 5	
Kansas	1. 20	3, 242, 400	66. 0	198, 550
Kentucky	1. 67	4, 512, 340	83. 8	
Louisiana	2. 10	5, 674, 200	76. 6	
Maine	. 58	1, 567, 160	58. 6	306, 096
Maryland	1. 40	3, 782, 800	72. 3	
Massachusetts	4. 04	10, 916, 080	48. 1	4, 955, 827
Michigan	3. 72	10, 051, 440	69. 1	132, 176
Minnesota	2. 38	6, 430, 760	56. 7	1, 515, 163
Mississippi	1. 92	5, 187, 840	73. 2	
Missouri	2. 12	5, 728, 240	72. 6	
Montana	. 83	2, 242, 660	44. 1	1, 320, 381
Nebraska	. 72	1, 945, 440	78. 5	
Nevada	. 17	459, 340	59. 7	79, 306
New Hampshire	. 43	1, 161, 860	55. 0	317, 642
New Jersey	2. 05	5, 539, 100	73. 1	
New Mexico	. 74	1, 999, 480	59. 8	340, 982
New York	7. 20	19, 454, 400	66. 3	1, 093, 547
North Carolina	3. 22	8, 700, 440	71. 7	
North Dakota	. 48	1, 296, 960	62. 5	156, 413
Ohio	3. 97	10, 726, 940	73. 3	
Oklahoma	1. 46	3, 944, 920	65. 2	290, 434
Oregon	1. 60	4, 323, 200	49. 1	1, 841, 430
Pennsylvania	4. 19	11, 321, 380	83. 5	
Rhode Island	. 50	1, 351, 000	59. 5	237, 791
South Carolina	1. 53	4, 134, 060	86. 1	
South Dakota	. 50	1, 351, 000	64. 7	109, 694
Tennessee	2. 30	6, 214, 600	72. 7	
Texas	5. 21	14, 077, 420	76 4	
Utah	. 68	1, 837, 360	66. 1	109, 671
Vermont	. 32	864, 640	56. 3	210, 831
Virginia	2. 09	5, 647, 180	75. 8	
Washington	1. 66	4, 485, 320	62. 4	543, 205
West Virginia	1. 07	2, 891, 140	74. 5	
Wisconsin	2. 70	7, 295, 400	55. 0	1, 993, 213
Wyoming	. 23	621, 460	54. 9	171, 471
Total				27, 158, 050

DOCUMENTED EMPLOYER BENEFITS
FROM
COOPERATIVE EDUCATION

The Report of a Study for
Northeastern University

May, 1974

Arthur D Little, Inc

DOCUMENTED EMPLOYER BENEFITS FROM COOPERATIVE EDUCATION

Summary, Conclusions and Recommendations

The objective of this study was to identify, document and, where possible, quantify the benefits selected employers derive from their cooperative education programs. It was planned as the first and pilot stage of a two stage nationwide study. The purpose of the overall study is to stimulate and support a significant nationwide expansion of cooperative education.

Basic to the purpose of the overall study effort are the following premises:

(1) College students and educational leaders are increasingly appreciative of and involved in cooperative education. Several studies have documented the value of cooperative education to students and to educational institutions. From the end of World War II to 1973 the number of collegiate institutions offering cooperative education programs increased from approximately 43 institutions to over 566 colleges, universities and community colleges. The number continues to grow.

(2) The Federal government is committed to a significant expansion of cooperative education programs that meet desired criteria. Under provisions of the Higher Education Act of 1972 Congressional appropriations to support the Cooperative Education Program increased from $1.7 million to $10.75 million for 1973-74.

(3) Expansion of cooperative education on the scale suggested above will require significantly greater participation on the part of the nation's employers. This must include involvement of increasing numbers of employing organizations not now hiring cooperative education student employees together with broader and more extensive utilization of cooperative education programs by employers now only modestly involved.

(4) Essential to the significantly greater participation of employers in cooperative education is their understanding of the several ways cooperative education can benefit them.

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(5) Very little systematically researched and publicly available data exist regarding employer benefits from cooperative education.

Therefore, as the first step in the effort to engender significantly greater participation of employers in the desired nationwide expansion of cooperative education, it was decided to research and document the benefits actually being derived from cooperative education by a small sample of employing organizations known to be effectively managing their cooperative education programs. This new research-based information could then be utilized in subsequent efforts to inform the nation's employers of ways they too might benefit from more extensive or perhaps more purposefully managed cooperative education programs.

Northeastern University officials, leaders in the cooperative education movement for many years, identified the need for such a study and conceptualized its broad outlines. They contracted with and funded an Arthur D. Little, Inc., study team to carry out the first stage of the study. This report is the principal product of that commitment.

This report is organized as follows. The Introduction offers background information concerning this study: brief comments on the development of cooperative education; a discussion of the need for this study, its conceptualization and its sponsors; and a description of the study team composition and relationships with Northeastern University officials. Chapter II discusses the selection of employers to participate in the study; and it briefly describes the six employing organizations and comments on their cooperative education programs. Chapter III presents in some detail the results of our analysis of each of the benefits the six employers are deriving from cooperative education. Chapter IV discusses a number of policy level and operational level issues concerning the management of cooperative education programs by employers, and offers several recommendations for optimizing employer benefits from cooperative education.

The remainder of this chapter presents a summarized discussion of the study design, a brief summary of each of the benefits being derived from cooperative education by the six employers, and a list of employers' situational difficulties in which cooperative education would appear to be specifically beneficial.

A. THE STUDY DESIGN

To produce the information and analyses desired in this study the "case study" approach was adopted. The subjects of the case studies were a small number of employing organizations of various types and sizes whose cooperative education programs differed in the length of time they had been in operation and in ways they were utilized and emphasized. A sample of six (N = 6) was agreed upon as being both adequate for the intended purpose and manageable within time and budget constraints.

Important characteristics common to each employer to be considered for inclusion in this study were established as: (1) a policy level commitment to cooperative education based on conclusions by management that cooperative education was beneficial to that organization; and (2) recognition by knowledgeable cooperative education leaders in educational institutions that the employer was managing its cooperative education program so as to derive several benefits from it. Characteristics we sought to vary among employers selected for study were those of size, economic sector and type of activity, and duration of the cooperative education program. After considerable exploration and discussion, the following six employing organizations agreed to participate with us in this study:

- General Electric Company
- Xerox Corporation
- Pioneer Cooperative Bank
- Liberty Mutual Insurance Companies
- Social Security Administration
- Wellesley (Massachusetts) Public School System

In planning the case studies of the six participating employers, we reviewed the literature on cooperative education to ensure that our explorations of employer benefits would cover the full range of potential benefits suggested or referred to in the literature. Our task then was to define those potential benefits in operational terms and to specify those data to be collected and analyzed so that we could determine whether, and the degree to which, those potential benefits were being realized. These definitions and specifications were then utilized in constructing standard data collection instruments to be applied where feasible in the case study of each employing organization.

Within each of the six participating organizations we interviewed policy level officials and those most directly involved in administering the cooperative education programs. We collected background information about the organization, its personnel administration and personnel data system, the history of its cooperative education program, and the way its cooperative education program is now managed and utilized for various purposes. We obtained judgments from interviewees on a broad and largely predetermined set of issues and questions concerning their cooperative education programs; and we pressed for "hard data" that would support or qualify the interviewees' conclusions. In particular, we sought information from each employing organization that would permit comparative analyses of the relative costs and benefits of utilizing its cooperative education program to achieve certain ends versus the costs and benefits of utilizing alternative means or programs to achieve the same ends.

For each employing organization we constructed a profile of the specific benefits the organization was attempting to derive from its cooperative education program, together with whatever evidence was available to document whether or not, and to what degree, those benefits actually were being derived.

It became apparent that similar benefits to employers from cooperative education were occurring in each of three definable stages or time phases, and that some employers were managing their cooperative education programs to derive benefits more in some time phases of their cooperative education programs than in others. Therefore, we decided to present and discuss each benefit separately, in the time phase in which it typically occurred, and to indicate which employer was obtaining that particular benefit and how.

A draft of our conclusions about the benefits that each employing organization was deriving from its cooperative education program was sent to a representative of that organization for review prior to including that information in this final report.

B. BENEFITS TO THE SIX EMPLOYING ORGANIZATIONS

Employers can derive benefits from their cooperative education programs in one or more of three generally definable time phases: (1) the preprofessional employment phase; (2) the recruitment, selection, orientation and initial training phase; and (3) the permanent professional employment phase. Chart 1 on the next page defines those phases and indicates employer benefits possible in each of those time phases. Each of these time phases of cooperative education is discussed below together with a summary of the benefits employers realize from cooperative education in each phase.

1. The Preprofessional Employment Phase

Benefits in this first phase are derived from the employment of cooperative education students as they alternate periods of academic study with periods (workblocks) of actual work experience in jobs related to their career development. This phase begins with the student's first workblock with an employer and continues until the employer decides that the student is a good candidate for "permanent" employment. This decision usually is made in the student's final workblock, although employers increasingly are making and acting on this decision earlier (in the student's next to the last workblock), especially when the student is a particularly attractive candidate for permanent employment. If the employer decides not to offer employment to the student upon graduation, the employer can still benefit from effective utilization of the student employee through his or her final workblock.

There are at least four specific types or classes of benefits that employers can derive from their cooperative education programs in this first Preprofessional Employment phase. However, employers differ in the ways they manage their cooperative education programs. Some manage their programs purposefully to derive all four types of benefits, or to stress the yield from some of the four types of benefits more than from others. More typical, apparently, is a focus on deriving two or perhaps three types of benefits. And of course, employers differ in the ways and the degree to which they exploit particular benefits within each type or class of benefits.

Chart 1

THE PHASES OF COOPERATIVE EDUCATION IN WHICH EMPLOYER BENEFITS OCCUR

Phases	Definition	Benefits
1. Preprofessional Employment	The period begins with the first workblock and extends up to the last workblock of the employed co-op student. Phase ends when the employee seeks and the employer considers permanent employment.	a Good source of manpower (Preprofessional or Paraprofessional) b Generates professional released time c Improves the personnel selection process d Enhances relations with colleges and other students
2. Recruitment, Selection, Orientation and Hiring	The phase includes the last workblock of co-op student employment through completion of orientation to entry level employment. The orientation can include either formal or informal training. Phase ends when the co-op student is hired full-time and becomes "permanently" responsible to the supervisor for the quality of his work.	a Facilitates entry level recruiting b Facilitates assessments of employee quality and promotability or advancement potential c Improved access to and by minority employees d Improved cost-benefits in recruitment and training
3. Permanent Professional Placement	The period includes at least the first three years of permanent employment. The end point of this phase is not clear from our study but needs to be established. It extends to that time beyond which differences in value or performance of employees cannot be attributed to whether or not they are former co-op students.	a Longer average retention (lower attrition) b High quality employees c More rapid advancement

This study reveals that in the Preprofessional Employment phase, employers derive the following four types of classes of benefits from their cooperative education programs:

(1) a good source of paraprofessional or preprofessional manpower;
(2) the generation of professional released time;
(3) contributions to improving the personnel selection process; and
(4) fostering effective relationships with colleges and enhancing the overall effectiveness of college recruiting.

Each of these types or classes of benefits is discussed briefly below and in more detail in Chapter III. Also indicated below, and treated at greater length in Chapter III are those employing organizations that purposefully and demonstrably capitalize upon each of these potential benefits.

a. A Good Source of Paraprofessional or Preprofessional Manpower

The employer benefit most commonly derived from cooperative education programs is obviously that of utilizing cooperative education student employees as a good source of paraprofessional and preprofessional manpower. Some employers designate specific positions or "workslots" as "Co-op positions." Those positions are then filled constantly by cooperative education students alternating between their workblocks and their periods of academic study. Employers also utilize cooperative education student employees in a series of specific, short-term tasks which may not constitute a defined "position" but which capitalize on the students' particular levels of knowledge, intelligence, and skill. Employers benefit most from this mode of utilizing cooperative education student employees when they purposefully design these positions and select tasks so that they make genuine, meaningful contributions in achieving organizational objectives. Increased benefit also depends on the care with which cooperative education student employees are placed in positions which make optimum use of their capabilities as they grow with additional experience and learning.

Important in the economics of cooperative education study employee utilization is the determination of pay scales and fringe benefits for such employees. Most cooperative education students are paid according to the salary levels for specific job classifications which take into account not only the job demands but also levels of education and prior work experience of the employee. Employers generally pay cooperative education student employees at the same salary level they would pay other new "permanent" employees in the same positions or job classifications. While they find that "permanent" employees in those positions usually become more efficient in the more routine functions of the job (because of longer experience in the jobs), they also find that cooperative education students in those positions usually learn faster and better.

Two major economic benefits to employers are derived from the typical differential cost of cooperative education positions versus "permanent" positions. A permanent employee in a given paraprofessional or preprofessional position typically advances up the salary scale annually or on some other basis of "time in grade," even though the position requirements do not change. However, the salary for that same position can be maintained at the same level for longer periods (or with only cost of living adjustments) by rotating cooperative education student employees into that position. In addition, the fringe benefits of permanent employees typically cost significantly more than those of cooperative education student employees who fill equivalent positions, since they are often classified as "term" or temporary employees, or as employees who regularly go on "leave without pay."

All six employing organizations managed their cooperative education programs so as to derive benefits of this type or class. Some employer representatives believe that their programs could be economically justified solely from benefits of this type. However, because of data limitations it was not possible to carry out systematic comparative cost analyses to document the extent of such benefits.

b. Generation of Professional Released Time

Four of the six employers (General Electric, Xerox, Social Security Administration, and the Wellesley Public School System) utilized their cooperative education programs to derive incremental value from their cadre of permanent professional staff. This type of benefit is made possible by:

(1) pairing cooperative education student employees with professional staff who utilize the student employees as assistants to carry out the less demanding elements of their jobs; or (2) redefining professional level positions to focus more exclusively on professional level tasks, and complementing those positions where necessary with closely related paraprofessional or preprofessional level support positions to be filled by cooperative education student employees with appropriate knowledge and skill. This permits more work of greater value to be accomplished by the higher paid professional staff. The less demanding tasks can be carried out more economically by the lower paid cooperative education student employees under the guidance of the professional staff.

It is obvious that careful and purposeful personnel administration is required to generate professional released time from the utilization of cooperative education student employees, especially if benefits of this type are to be maximized. The realization of this employer benefit also tends to benefit additionally the cooperative education student employees through the purposefully closer working relationships with professional staff, a highly valued learning opportunity.

While four of the employers demonstrated the steps they have taken to realize this potential and obvious economic benefit from cooperative education, none had "hard data" available to quantify this benefit.

c. Contributions to Improving the Personnel Selection Process

Cooperative education programs provide unique opportunities for both the prospective employer and the prospective permanent employee to evaluate each other in terms of an appropriate "match" for possible permanent employment. The unique value of such opportunities lies in the "reality" features of what amounts to actual trial employment in a mutually beneficial arrangement without long-term commitments by either party.

The student employee gets a reality-based understanding of job requirements, style of supervision, organizational "climate," and opportunities for satisfying work and advancement. Important to both employee and employer, the cooperative education student employee has a unique and

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early opportunity to explore and assess the appropriateness of his chosen career and thus the appropriateness of his academic major or specialization.

The employer has an opportunity to evaluate the performance of the student employee on the job and with respect to various tasks and functional requirements. Such on-the-job performance evaluations permit significantly more effective screening of potential candidates for permanent employment than is possible with alternative procedures limited to the evaluation of candidates' grade averages, test scores, extra-curricular activities, and reference checks. Employers who manage their cooperative education programs so as to capitalize on these reality-based performance evaluations can improve the validity of their selection decisions and reduce the incidence and the cost of bad selection decisions.

Five of the six employers in this study manage their cooperative education programs purposefully to benefit from opportunities afforded to improve their employee screening and selection process. Those employers are: General Electric, Xerox, Pioneer Cooperative Bank, Social Security Administration, and the Wellesley Public School System. Three of those five employers had specific data available to demonstrate the realization of this benefit.

d. Fosters Effectiveness of College Relations and the Overall College Recruiting Effort

Four of the six employers in this study (General Electric, Liberty Mutual, Pioneer Cooperative Bank and Social Security Administration) utilize their cooperative education programs as vehicles for fostering interaction with participating colleges and for enhancing the effectiveness of their overall college recruiting. Cooperative education programs provide employers with specific contacts and means for communicating regularly with the institutions about changing personnel requirements, including possible new functional or knowledge or skill requirements in specific occupations and industries. This feedback permits teaching faculty to modify the content of certain courses or the options that might be offered in standard programs. This feedback also enables career counselors and faculty advisors to be more realistic in the counseling and guidance of students regarding career opportunities and related academic preparation. Such feedback and its effects benefit the college, its students, and eventually the employer.

An even broader or more general potential employer benefit from participating in cooperative education programs is the enhancement of the employer's overall college recruiting effort. Faculty advisors, college counselors and cooperative education coordinators can do a much better job of accurately advising students about employment opportunities and requirements when they are familiar with the employment situations of specific employers. Interactions concerning cooperative education programs can produce that familiarity. And finally, and quite important to some employers, cooperative education student employees satisfied with their work experiences can be effective promoters of their employer in contacts with other students.

2. The Recruitment, Selection, Orientation and Initial Training Phase

Employer benefits in the second time phase of cooperative education are those incremental advantages afforded in the recruitment, selection, orientation and initial training of "new college hires," i.e., college graduates hired into entry level professional positions. This phase typically begins with the last workblock of cooperative education student employment, although it may begin earlier in the student employee's next to last workblock, especially if the "co-op student" is a particularly attractive candidate for permanent employment. It begins operationally with the employer's identification of likely candidates for permanent employment from a review of the performance evaluations of cooperative education student employees. It includes the mutual exploration of possible entry level positions, the negotiation of a mutually acceptable employment agreement, and the orientation and training of the "new hire" for the "permanent" position.

There are at least four specific types or classes of benefits that employers can derive from this phase of their cooperative education programs. Some employers manage their programs so as to realize or emphasize more of these potential benefits than is the case with other employers. These four potential benefits include:

(1) the facilitation of professional entry level recruiting;

(2) the facilitation of assessments of employee quality and promotability;

(3) improved access to and by minority employees; and

(4) improved cost/benefits in orientation and initial on-the-job training.

Each of these benefits is discussed briefly below and in greater detail in Chapter III. Indicated below, and treated at greater length in Chapter III, are the employing organizations that demonstrably capitalize upon each of these potential benefits.

a. The Facilitation of Professional Entry Level Recruiting

Five of the six employers in this study (General Electric, Xerox, Pioneer Cooperative Bank, Social Security Administration, and the Wellesley Public School System) demonstrated evidence that they manage their cooperative education programs to facilitate professional or college entry level recruiting. Among those five employers this "facilitation" was demonstrated in different ways and produced various advantages over alternative modes of college entry level recruitment. Some of these advantages were obviously more "economic" than others. However, none of the employers maintained cost data which would permit documentation of the extent of the cost/benefits of recruiting entry level professionals from their cooperative education programs versus other modes of recruitment.

Most of the five employers demonstrated that the "yield" per employment offer (acceptances of permanent employment as a percent of offers) is significantly higher for cooperative education students than for college seniors recruited in other ways.

Another demonstrated advantage of recruitment and selection from cooperative education student employees is that line managers and supervisors participate earlier and more meaningfully in the process than characteristic of other modes of recruitment and selection. The on-the-job performance evaluations of "co-op employees" by the line managers and supervisors and their participation in the hiring process enhance the specificity of job offers and the confidence with which they are made.

The cooperative education student employee is much more aware of employer requirements and specific job requirements in that organization than an employment candidate recruited directly from campus. Thus he can make more informed career decisions and even more valid choices among possible job openings in the employer's organization. At least for some employers this appears to result in higher job satisfaction as indicated by reduced turnover and transfers.

One employer, the Pioneer Cooperative Bank, elected to utilize its cooperative education program as its sole college recruitment vehicle. This decision was made partly on the basis of comparative costs of various modes of recruitment and partly because of the desire to minimize potentially costly errors in selection of personnel to be developed as the Bank's middle managers.

b. The Facilitation of Assessment of Employee Quality and Promotability

Four of the six employers (Xerox, Pioneer Cooperative Bank, Social Security Administration, and the Wellesley Public School System) purposefully manage their cooperative education programs to realize the benefit of being able to assess and forecast employee quality and promotability accurately.

Xerox utilizes cooperative education student employee performance evaluations as a primary factor in its decisions to offer permanent employment; and offers are usually made only if the evaluations suggest that the candidates will meet entry level requirements. Pioneer Cooperative Bank uses its teller positions (most of which are "co-op positions") as on-the-job training and selection experiences to determine which individuals will be further trained and developed as middle managers in the Bank. The Social Security Administration's cooperative education "Access Program" is designed specifically to train, evaluate and retain only those student employees who will qualify for entry-level professional positions upon graduation from college and completion of the program, and then be assured of progress up the career ladder from entry-level positions of GS-5 or GS-7 to the GS-10 or GS-11 level. The Wellesley Junior High School generally hires inexperienced teachers only if they have had a prior work experience in the school. This policy was adopted to facilitate selection of high-quality teachers capable of qualifying for tenure through the use of first-hand, on-the-job performance evaluations.

c. Improved Access to and by Minority Employees

Two of the six employers in this study (Liberty Mutual and the Social Security Administration) purposefully and demonstrably utilize their cooperative education programs to improve access to qualified minority employees and to improve access to professional level jobs for qualified minority student employees. In 1973 the Social Security Administration's Program Access involved 208 cooperative education student employees, of which 60 percent were members of minority groups. Of the 24 students successfully completing the program since its initiation in 1972, 22 were hired as entry-level professionals and exactly 50 percent of those hired were members of minority groups.

Three other employers recently have taken action to facilitate the hiring of minority employees through their cooperative education programs. Of all the cooperative education student employees of General Electric 41 percent are members of minority groups and 18 percent are women.

d. Improved Cost/Benefits in Orientation and Initial Training

None of the six employers in this study maintained the comparative cost data and quantified estimates of benefits regarding those aspects of personnel administration that would permit straightforward analyses of the degree of cost/benefit being derived from their cooperative education programs. However, two of the employers with relatively new programs (Pioneer Cooperative Bank and the Social Security Administration) maintained data which permitted the determination that a positive relationship existed between the benefits and costs of certain aspects of their "co-op programs" when compared with similar aspects of alternative programs. That was true of the cost/benefits of orientation and initial on-the-job training, especially when the factor of significantly increased retention in entry-level "permanent" positions was considered.

With the exception of the Wellesley Public School System, employers in this study judged their cooperative education programs to be more cost-effective than alternative programs in the orientation and training of employees for their initial entry-level positions in permanent employment. There was no doubt that the understanding of an organization's operations, management processes, job requirements and "product lines" was superior and less costly to produce for cooperative education student employees selected for permanent positions than for direct hires from campus. Pioneer Cooperative Bank and the Social Security Administration were able to document that advantage. In addition, Liberty Mutual can offer permanent employees hired from its cooperative education program a starting salary of up to $1,000 a year more than it offers other entry-level new college hires. It is believed that this represents the "value added" from the orientation and training experience of the cooperative education student employee.

3. The Permanent Professional Employment Phase

Employer benefits in this third time phase of coooperative education actually are advantages the employer derives after the former cooperative education student employees have been hired and placed as permanent employees. The time phase lasts until the value of such employees no longer can be attributed to whether or not they were cooperative education students. This time period is estimated to be of at least three years' duration and probably not more than five years, but it has not been established through systematic research.

At least three types or classes of benefits appear to be realized from cooperative education by at least some employers in this third time phase. They include:

(1) longer average employment (higher retention or less attrition);

(2) high staff quality, as measured by performance appraisals; and

(3) high potential for advancement or promotion.

a. Higher Retention (Less Attrition) of Former Cooperative Education Student Employees

Three of the six employers in this study (Xerox, Social Security Administration, and the Wellesley Public School System) maintained a personnel information system which would permit comparative analysis of the retention of permanent employees who are former cooperative education student employees versus those who are not. In the Social Security Administration, retention of former cooperative education students in almost a year of entry level professional employment is significantly higher than that of other new college hires. In the Wellesley Junior High School 100 percent of new teachers hired from the pool of former cooperative education student employees were eligible for tenure after three years of employment. However, this was not significantly higher than the retention of other new teacher hires, all of whom had prior work experience in the school. Analysis of available data showed that in the Xerox Corporation retention of former cooperative education students was not significantly different from the retention of other entry level new college hires.

b. Potential for Advancement or Promotion

The cooperative education programs of four of the employers in this study have existed long enough to have some information on the comparative rate of advancement (promotion) of former "co-op students" versus those who are not. However, their personnel information systems do not readily permit such comparative quantitative analyses. The Pioneer Cooperative Bank and the Social Security Administration will be able to carry out such comparative analyses in two to three years.

The Wellesley Junior High School represents the only source of data available for such a comparative analysis, and then only if achieving tenure is regarded as "advancement or promotion." All nine former "co-op students" hired as starting teachers in the Junior High School have been awarded tenure. However, this is not significantly higher then the rate of tenure award for teachers also who had prior work experience in the school but were not former "co-op students."

c. Staff Quality as Measured by Performance Appraisals

Of the six employers in this study only the Xerox Corporation had both: (1) a cooperative education program of sufficient duration to place graduates in permanent employment long enough to receive systematic performance evaluations; and (2) a personnel information system which permitted comparative analysis of the performance evaluations of former "co-op students" versus other new college hires who were not. Analysis of the Xerox data showed no significant differences or systematic trends in the performance evaluations of the two groups of permanent employees.

Both the Pioneer Cooperative Bank and the Social Security Administration have relatively new cooperative education programs, and both will be able to make those comparative analyses of performance evaluations shortly.

Other indicators of "staff quality" can be used in such a comparison. While Liberty Mutual's data base does not permit quantitative measurement and analysis of the starting salaries of new college hires, the company frequently starts former "co-op student employees" at a somewhat higher salary (up to $1,000 a year) than those without the prior work experience in the organization. Also data from the Wellesley Junior High School show that teachers who are former "co-op students" have consistently been awarded tenure after three years of teaching experience as contrasted with a slightly lower rate of tenure awards among other beginning teachers.

Available data from General Electric regarding salary progress (i.e., rate of salary advancement) do not show a consistent difference or trend between former "co-op students" and those who are not.

Chart 2 on the next page summarizes the findings of our study. It shows that among the six employers in our study, more benefits are being

CHART 2
DOCUMENTED* BENEFITS OF COOPERATIVE EDUCATION

PHASES	BENEFITS EMPLOYERS RECEIVE	EMPLOYERS** PARTICIPATING IN THE STUDY 1	2	3	4	5	6
1. Preprofessional Employment	A. Manpower {Preprofessional Paraprofessional	X	X	X	X	X	X
	B. Professional Released Time	X	X			X	X
	C. Improved Selection Process	X	X		X	X	X
	D. Enhanced College Relations	X		X	X	X	
2. Recruitment, Selection, Orientation and Hiring	A. Facilitates Entry-Level Recruiting	X	X		X	X	X
	B. Promotability More Accurately Determined		X		X	X	X
	C. Improved Access to and by Minority Employees			X		X	
	D. Improved Cost/Benefits in Orientation and Training			X	X	X	
3. Permanent Professional Employment	A. Higher Average Retention		Same			X	Same
	B. Potential for Advancement				?	?	Same
	C. Staff Quality (as measured by performance appraisals)		Same				Same

* Benefits shown here are limited to those we were able to verify from interview information and from records of implemented activities. Some employers have recently implemented activities the results of which are not yet available for analysis.

** Legend

1 = General Electric Company
2 = Xerox Corporation
3 = Liberty Mutual
4 = Pioneer Cooperative Bank
5 = Social Security Administration
6 = Wellesley Public School System

derived from the earlier time phases of cooperative education than from the last one. Also, it shows that some employing organizations manage their cooperative education programs purposefully to realize a broader spectrum of benefits than do others. The next section summarizes and highlights a range of situational problems or difficulties in which cooperative education was found to be helpful.

C. PROBLEMS COOPERATIVE EDUCATION CAN HELP AMELIORATE

Listed below is a range of situational problems or difficulties frequently encountered by employers which an effectively managed and coordinated cooperative education program can help ameliorate. We suggest that if employers are confronted by one or more of the following problems, they consider cooperative education as one approach to improving their situation.

Cooperative education can be helpful if:

1. There is a need for a stable and prescreened source of intelligent and upwardly mobile preprofessional or paraprofessional manpower.
2. There is a need for more economic and flexible utilization of preprofessional level manpower.
3. There is a need to derive greater value from the work of professional level employees by permitting them to focus more exclusively on more professionally demanding tasks.
4. There is a need to improve the quality (validity) of the screening and selection decisions about new college hires.
5. It would be useful to enhance the quality and extent of relationships with colleges from which graduates are recruited.
6. It would be useful to have college faculty, counselors and students be more knowledgeable of employment opportunities in your organization.

7. There is a need to improve the "yield" from employment offers and reduce the cost of campus recruitment.

8. There is a need to improve the promotability, or at least the assessment of promotability, of new college hires.

9. There is a need to improve access to the employment of qualified minority employees, and to increase access to professional level jobs by members of minority groups.

10. There is a need to reduce the cost of orientation and initial training of new college hires.

11. There is a need to reduce early attrition and turnover among new college hires.

12. There is a need to maintain high quality of new permanent professional level employees.

FINAL REPORT

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THE FEDERAL COLLEGE WORK-STUDY PROGRAM:

A STATUS REPORT, FISCAL YEAR 1971

Nathalie Friedman, Lois W. Sanders, and James Thompson

BUREAU OF APPLIED SOCIAL RESEARCH

COLUMBIA UNIVERSITY

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PREFATORY NOTE

This report on the Federal College Work-Study (CWS) Program is based on data obtained from students holding CWS jobs, employers hiring students under the program, financial aid personnel administering the program at the institutional level, and officials implementing the program at the regional and national levels.

All respondents contributed generously of their time by completing questionnaires, supplying statistical data, and—in some instances—spending long hours discussing their experiences in the program with the investigators. In addition, personnel at the Office of Education (Office of Planning, Budgeting, and Evaluation) have been most helpful, as have been administrators at the regional level.

Intellectual guidance and stimulation were provided by many of our colleagues at the Bureau of Applied Social Research, in particular, Dr. Allen Barton and Dr. Sam Sieber, the Principal Investigators for the Study. Special thanks are due to Carol Dulaney who organized, coordinated, and executed the complex tasks involved in conducting a study of this magnitude and who patiently typed the several drafts of the manuscript. Gratitude is also due to Sandy Vogel and Deborah Marks who assisted in the collection, compiling, coding and processing of the data.

The reader should bear in mind that much has occurred in the field of federal financial aid since the data were collected. Changes have taken place in the organizational structure of the Bureau of Higher Education; a Higher Education Bill was passed altering the tripartite aid program analyzed in this study; application forms, guidelines, emphases and practices have been modified. Some of the events recorded are now history—perhaps never to be repeated. Accordingly, it should be emphasized that the data reported in this study cover fiscal year 1971 (academic year 1970–71) and the findings are applicable to conditions existing during this year.

SUMMARY

BACKGROUND

The Federal College Work-Study Program (CWS) was established under the Economic Opportunity Act of 1964. Administration was transferred to Office of Education, Division of Student Financial Aid (DSFA)[1] in 1965 with a legislative mandate:

> . . . to expand part-time employment opportunities for students, particularly those from low-income families, who are in need of the earnings from part-time employment in order to pursue a course of study at an institution of higher education.[2]

CWS represents one major element in the three-pronged program of grants,[3] loans, and work through which the Federal Government has been making it possible for financially needy high school graduates to obtain the benefit of higher education. Through the CWS program, Federal grants are made to institutions of higher education to enable them to create job opportunities for eligible students. These grants provide 80% of the payroll expenses involved in the part-time and summer employment of the student, the remaining 20% is contributed by the institution or off-campus employing agency.

OBJECTIVES OF THE STUDY

In the summer of 1970, the BASR was awarded a contract by the U.S. Office of Education to study the CWS Program. The objectives of the study were to gain information about:

(1) The types of programs operating in different institutions
(2) The consequences of the program for:
  (*a*) Students
  (*b*) Institutions
  (*c*) Employing agencies

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[1] The Division of Student Financial Aid has since been incorporated along with the various Special Services programs into a Division of Student Assistance.

[2] U.S. Department of Health, Education, and Welfare, *College Work-Study Program Manual*, (Washington, D.C.: Printing Office, 1968) p. 1–1.

[3] An analysis of the Educational Opportunity Grant Program was completed by two of the authors and submitted to USOE in June 1971. See Friedman, N., and Thompson, J., *The Federal Educational Opportunity Grant Program: A Status Report, Fiscal Year 1970*, May 1971.

(3) The extent to which existing institutional channels and machinery at the national, regional and institutional levels have been effective in implementing and administering the program

(4) The extent to which the program is accomplishing its stated objectives of increasing the educational opportunities for students who might otherwise not attend college, attend only part-time, postpone college, or find their choice of college restricted by financial limitations.

PROCEDURES OF THE STUDY

The following data have been collected:

(1) Questionnaires from 8,172 students enrolled in the CWS program during academic year 1970-71 (Response rate was 66%)

(2) Student characteristic forms from 795 aid officers, reporting information on 10,242 students (This represents 97% of the administrators responding for 83% of the CWS sample students)

(3) Questionnaires from 2006 participating institutions (82% response rate)

(4) Questionnaires from 2,232 employers of CWS students (58% response rate)

(5) Data from National Center for Educational Statistics, from Fiscal Operations Reports (FY 1969 and 1970) from Application Forms (FY 1971 and 1972) and from December Reports (calendar year 1969 and 1970)

(6) Qualitative data obtained through semi-structured interviews with administrators, employers, and students at 23 institutions and in two selected summer cooperative programs.

FINDINGS

A. Student Characteristics (Chapters Two and Three)

(1) When viewed against the yardstick of national (ACE) norms for entering freshmen, CWS freshmen constitute a group from a distinctly lower socio-economic background and have proportionally almost three times as many students from minority backgrounds.

(2) Fifty-five percent of the CWS students come from families with annual incomes of less than $6000. On the other hand, for 18% the financial aid officer reports family incomes of $8000 or more. These latter tend to be white students enrolled at high-cost institutions, who carry a National Defense Student Loan (NDSL) or another type of loan, and whose parents are expected to contribute more than $850 on the average toward college expenses.

(3) Income and ethnicity dramatically differentiate the demographic, academic, and attitudinal characteristics of CWS students. Exceptionally low-income/minority students are more likely than other CWS participants to:

(*a*) Have grown up in a rural setting in a southern or border state

(*b*) Be the first in the family to attend college

(*c*) Have been enrolled in a non-college preparatory program in high school; have made a relatively late decision to attend college; or to state that the availability of financial aid was the primary consideration in their choice of a college

(*d*) Have sought a college which would provide vocational preparation rather than intellectual challenge

(*e*) Attend public institutions, especially the two-year community colleges.

(4) Compared with other CWS students, the lowest-income or minority students have equally high aspirations for educational and occupational attainment. They tend to be more certain than other CWS students about their occupational choice.

(5) On the average CWS earnings cover half of the basic expenses of attending college and in most instances such earnings are accompanied by an Educational Opportunity Grant (EOG) and/or NDSL. Still, more than half of the student respondents indicate that the total amount of financial aid they receive is insufficient to cover basic expenses. On the average, $625 additional is required—the amount varying for each income category and to a large degree reflecting the cost of attending college.

B. Institutions (Chapter Six)

(1) Differential participation in the three Federal programs (CWS, EOG and NDSL) reflects differing composition of student bodies and varying institutional cost.

(2) Compared with institutions participating in two or three programs, those with only a CWS programs tend to:

(*a*) Find their CWS allocation adequate;

(*b*) Have a smaller CWS program;

(*c*) Offer financial aid to a smaller segment of the enrolled students but CWS employment to a higher percentage of eligible students.

(3) Six out of ten institutions report that their 1970–71 allocation was inadequate to provide employment for all eligible students. Proportionally, more than twice as many predominantly black as white institutions report four or five years of insufficient funding and at these chronically underfunded institutions, a smaller proportion of the eligible students is offered CWS employment. In general, the higher the proportion of low-income/minority students, the more likely is an institution to report chronic underfunding.

(4) The chronically underfunded institution is more likely to appeal the panel recommendation and to receive a supplemental allocation.

(5) Approximately half of the institutions, even those which do not report chronic underfunding, give preference to students who apply first.

(6) One-third of the institutions participating in CWS have no off-campus employment program. The data suggest that some schools are utilizing CWS as a means of maintaining normal operations in the face of rising costs and that such schools cannot afford to establish and administer an off-campus employment program.

(7) Comparison of institutions which do or do not maintain off-campus employment programs suggests that while the latter indeed may be handicapped by insufficient staff or geographical location, they anticipate encountering problems with which they may not be able to cope in maintaining an off-campus program.

C. Employers (Chapter Seven)

(1) More than four out of five employers of CWS students are of the opinion that students have developed useful skills and positive attitudes towards work as a result of CWS employment.

(2) Perceptions of the benefits of employment are highest among employers who are not closely associated with the CWS Coordinator, who have a great need for CWS workers, and who provide jobs with a high level of skill and with relevance to academic or career interests of students.

(3) Employers are more likely to report that participation in the CWS program has enabled the agency or department to expand its operations if they:

(*a*) Enjoy close and regular relations with the CWS coordinator

(*b*) Have a high need for CWS students

(*c*) Evaluate their CWS employees positively

(*d*) Provide CWS students with relatively high skill-level or relevant employment

D. CWS Employment and Job Satisfaction (Chapters Four and Five)

(1) By far, the majority of CWS students (63%) are employed in clerical jobs or in positions as security, maintenance, food service, or hospitality aides. Only a small percentage (15%) are serving as social or community aides, teaching or research assistants, or government and judicial aides, even though these are the very positions which are most highly rated by students.

(2) On the whole, more than half of the students are very satisfied with their current CWS jobs; yet, half of those working would prefer holding a different job.

(3) Regardless of the job assignment, students agree that through CWS employment they have made friends and learned about people. Other advantages, such as becoming more certain about their career choice or feeling they have been doing something useful, tend to be associated with specific types of jobs.

(4) Although a small proportion of students report that as a result of their jobs they have fallen behind in their classes, overall, CWS employment does not seem to be detrimental to keeping up with studies.

(5) The major contributor to student job satisfaction is the choice in selecting the job and arranging the hours—in short, whether the job a student holds is the one he prefers.

E. Funding (Chapters Eight and Nine)

(1) Establishing Demand

(*a*) Observation of the panel review process disclosed an essentially equitable arrangement for evaluating requests for federal student aid funds. Each panelist made a concerted effort to be fair in exercising judgment at all time.

(*b*) The panel process has several unobtrusive consequences.

(i) It provides an opportunity for both federal and regional officials to communicate directly with financial aid officers from divergent types of institutions;

(ii) It creates intra-region relationships which facilitate exchanging knowledge of program management techniques based on a range of experience;

(iii) It serves as a platform for the personal clarification of an application submitted by a panel member.

(*c*) A reduction of the total request was in store for three out of five institutions contemplating an average award of $800 or more for each student expected to receive financial aid.

(*d*) Appealing a recommendation generally paid dividends. Seven out of eight were raised between 20% and 55%.

(2) Distribution of FY '72 Funds

(*a*) For the first time family income became the basis for funding the EOG-IY and CWS programs. The outcome was marked by both success and failure.

The higher the percentage of program funds forecast for distribution to these low-income students, the higher the proportion of the recommendation actually funded.

The funds appropriated by the Congress were not adequate to cover over 14% of the amount needed for initial year grants to these students.

For the EOG-IY program as a whole, need exceeded funds by 35%.

For CWS, the appropriation did cover the federal contribution to the wages of students from families with incomes below $6,000, but the amount was still 19% lower than total program need.

(*b*) Regional distribution was erratic. For the three DSFA programs taken as a whole:

(i) Three regions were 10% below the level of need.

(ii) One stood at the national average, 20% below need.

(iii) Six were more than 26% below approved need.

(3) Up and down the line, from the national, to the regional, state, and institutional levels runs the complaint that despite panel decisions and regardless of successful appeals, actual appropriations represent substantial cuts from panel approved amounts, and institutions are not able to meet the needs of eligible students. The chief casualty, of course, is the student who has counted on Federal assistance to help meet basic college expenses.

CONCLUSIONS

The major conclusion of this study is that the CWS program is achieving its primary goal of enabling students from low-income families to help defray the costs of post-secondary education with the earnings from part-time and summer employment. On the average CWS earnings are paying half of the basic costs of attending college—this is no small weight for one financial aid program to bear.

Over and above the financial benefits of CWS employment, a majority of students report maximum satisfaction from their CWS jobs and less than one in six is actually dissatisfied. Most feel that their jobs have helped them meet and learn to get along with people, and substantial proportions feel that they have gained useful skills and attitudes in the course of their CWS employment. In addition, many students are in employment settings which offer opportunities for extra hours of work or for summer employment at the employer's expense, or even for a permanent job after graduation.

For many employing agencies, the ability to use CWS students has meant expansion of agency operations—an effect fully congruent with legislative intent. Still another effect of the CWS program—not to be lightly dismissed in these days when post-secondary institutions are fighting for survival—is that for many schools, hiring CWS students has meant the ability to maintain normal operations in the face of rising costs.

These, then, are the "pluses" of the CWS program. At the same time, it should be noted that many students are spending up to fifteen hours a week at jobs which are routine and yield little in the form of long-range benefits. Similarly, many institutions are not effectively utilizing the program to accomplish the objectives of educating students and preparing them for productive futures.

Generally, however, financial aid administrators—together with employers—are actively attempting to provide students with work that goes far beyond the provision of tuition dollars. Despite chronic insufficiency of funds, despite the administrative uncertainties and complexities, some schools are successfully placing students in interesting responsible challenging jobs—both on- and off-campus—jobs which link student and professor, which create feelings of worthwhileness, which support community action programs, which offer students an opportunity for future employment.

It is this minority of administrators which points out most clearly the direction which CWS programming can take in the future. In this way, it can do more than provide dollars, more than create leaf-rakers or clerks for institutions of higher education, but can serve as a means of education for life.

[From the Eastern Michigan University "Echo," Apr. 15, 1974]

Work Study Dilemma Needs Solution

(By Cynthia Fischer)

A recent experience as a working student at this University has brought some thoughts to my mind. I would like to see a change in the Federal Aid programs now being used to assist students going to college.

At the present time, too much is at stake for the student who applies for assistance, the university that must provide an education, and our government which has established these loans, grants, and work-study programs.

Having applied for and received National Direct Student Loan (NDSL), Educational Opportunity Grant (EOG), and College Work-Study (CWS), I have experienced many of the problems which arise because of the limited interpretation of the guidelines for operating these programs. The rules are meant as a control on individual aid, and to keep funds divided as evenly as possible.

A student is allotted a certain amount of aid per semester, depending upon his or her financial need for that academic year. Many students, myself included, sign the necessary papers for this financial aid and then find themselves in a financial bind when their assessed need is met by loan, grant, and work.

It is considered a violation of federal guidelines for a student to continue employment when allowable earnings have been reached.

I applied for a job last September and had been working on campus up until the last week in January, under CWS. The wages were poor and the work at times a work-out, but I truly appreciated it. Being able to hold a job when one is willing and able to work is a boost to the ego and a right of citizens in this country.

The fact that I lost that job just because the rules said so was enough to frustrate anyone who is trying to work in order to earn an education. I am still very willing and able to work; but at this point, I would be making an honest dollar in violation of federal guidelines since my determined need has been met.

Although this semester's tuition and dormitory fees are paid, money will be needed to finish my junior and senior years. Also, there is an amount of $1,700 which I already owe the government for past educational loans.

To me, learning is a wonderful thing if one can keep an interest in the subject. This interest depreciates as the worries and hassles of "How do I stay in college? Where's the money going to come from?" increase.

If I were a student who did not need financial assistance, the problem of losing my job would not exist. I would not have to sign papers for financial aid which holds me within stipulated boundaries of earning college expenses.

When these signed papers are unnecessary, a person can work as much as desired while going to school, because there are no limitations placed on earnings for students not receiving federal aid.

This defeats the purpose of equal rights. Those who need the money are hindered, and those who do not need the assistance can keep making more money with no questions asked.

I would like to propose a program which would be beneficial to financial aid recipients, the university, and the government. The program I have in mind would change the working allowability of students by using a banking system.

A student would have the right to employment with the option of stopping work if desired.

In a hypothetical case, $1,500 is determined to be needed for the academic year expenses, $750 per semester. A NDSL is issued for fall in the amount of $300, with an additional $300 to be issued for the winter term.

According to skills and availability a job is offered under CWS (on or off campus) which would fulfill the rest of the $900 need. A student utilizes the CWC covering the academic year, earning the $900 in a period of weeks depending on wages and hours worked.

When the $900 has been earned, the student becomes ineligible, and is removed from employment. This action takes away the income, stifles initiative and responsibility, eliminates the learning experience of work and leaves the employer without trained help.

I am proposing, instead, a system which would allow the employment to continue. From the earnings, a percentage would be assigned to an account to be used as payment on existing loans. This would allow for living expenses of the student, reduce loan indebtedness, and increase perpetual loan funds for other students requiring financial aid.

(EDITOR'S NOTE: New regulations are now being reviewed by the Program Development Branch Division of Student Support and Special Programs. Fischer's proposal is one of the solutions that has been recommended for institutional use. By cutting out and mailing the Eastern Echo coupon accompanying this article, you will let the people concerned know where you stand.)

NORTHERN ILLINOIS UNIVERSITY,
DeKalb, Ill., May 9, 1974.

Hon. JAMES G. O'HARA,
House of Representatives,
Washington, D.C.

DEAR MR. O'HARA: Enclosed is a copy of a RESOLUTION that was passed unanimously at the Annual Conference of the Midwest Association of University Employment Directors.

Member institutions are located in the following states:

West Virginia
Ohio
Indiana
Illinois
Michigan
Minnesota
Iowa
North Dakota
South Dakota
Nebraska
Kansas
Colorado
Oklahoma
Missouri
Wisconsin
Kentucky

This organization is the only group located in the United States devoted to serve effectively the interests and needs of students who desire employment to finance their education. The group also is dedicated to encourage and promote educational programs which provide an opportunity for development of the individual student.

We are very concerned that many programs in our institutions will be drastically reduced due to the lack of college work-study dollars. We must recognize that work for pay is a major part of living on the part of adult males and females, schools must be concerned that students have a background which includes work which will enable them to take their proper places in an adult society as contributing members to that society.

We earnestly solicit your support in furthering the concept of self-help as being a major attribute in the American way of life.

Sincerely,

CLAUDE C. KACZMAREK,
Associate Coordinator of Student Financial Aids.

RESOLUTION

The Annual Meeting of the Midwest Association of University Student Employment Directors (MAUSED), representing an enrollment of 625,000 students, was hosted by Northern Illinois University at DeKalb, Illinois, April 24–26, 1974.

The proposed administration cut in funds for the existing College Work-Study Program was discussed and explored in depth, and it is unanimously agreed that any cuts in these funds will deny thousands of students who are now participating in the program the opportunity to attain their higher educational goals. It would also prevent thousands of high school students from low income families to fulfill their plans to attend institutions of higher learning and other types of post-secondary training institutions, all of which are vital for the future of our great country.

The very basic concept and implementation of the College Work-Study Program is in keeping with our inherent and traditional and historical and noble philosophy of giving our youth the opportunity to value that which is earned and in doing so to make a positive contribution to self and society by developing respect for work and its proper and acceptable habits and attitudes.

The continuance of this program at increased monetary levels can readily be justified on the basis of hundreds of new institutions submitting applications for participation each fiscal year. Further, we call your attention to the recently increased minimum wage rates which in itself calls for increased funding just to keep operating at the 1973–1974 level.

Surely, a nation which proposes to provide $685,000,000 annually in BEOG and SEOG gift aid ought to be willing to invest an equal amount in its productive College Work-Study Program.

This Resolution was submitted to the General Assembly of the 1974 Annual Meeting of the Midwest Association of University Student Employment Directors and was passed unanimously this 26th day of April, 1974, to be presented to the appropriately appointed and elected public representatives as designated by the President, Claude Kaczmarek.

CASE WESTERN RESERVE UNIVERSITY,
Cleveland, Ohio, May 14, 1974.

Congressman JAMES O'HARA,
Chairman,
House Subcommittee on Education,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN O'HARA: As President of the Ohio Association of Student Financial Aid Administrators I am contacted by various colleagues relative to their concerns of enacted or impending student aid legislation. During recent weeks I have been contacted by several colleagues concerning the summer earnings expectation of the College Work-Study Program. Basically, program guidelines specify that a student residing at home is expected to save 80% of his net college work-study summer earnings while a student residing elsewhere is expected to save 60% of the net earnings.

It is the feeling of my colleagues at Central State, Cleveland State, Baldwin Wallace and several other Ohio institutions that these figures are excessive, not realistic, and do not reflect the cost of living in today's society. This is a feeling with which I concur.

Assume if you will that a student is able to earn $1000 during the summer from College Work-Study and his net earnings are $900 after taxes. That student would be expected to save $720 for school. In Cleveland it would cost that student in excess of $1.50 per day for transportation and probably $1.25 per day for lunch. This still makes no provision for recreation, medical expenses, purchase of clothing for school and the hundred other expenses a student will incur. I believe that every student should attempt to keep expenses during the summer to a minimum to provide savings for that student's education. However, I believe when savings requirements are set at such an artificially high level which few, if any, students are able to meet the incentive to work and save for one's education is lost. The only feeling that is left is a feeling of perhaps bitterness but definitely a feeling of frustration and anger at having insufficient resources for school.

Since I knew that you were undertaking hearings on the work component of student aid legislation this week I wanted to share these concerns with you so that you could include them in your deliberations.

For the first time in the past few years I have a feeling of hope for proposed student aid legislation. I feel to a large extent that you personally are responsible for the hope and encouragement that I perceive on the horizon. I thank you on behalf of students, my colleagues and myself.

During the past three years I have also witnessed the fact that the current administration attempts in every way to subvert the intent of Congress by issuing program guidelines which do not reflect the spirit of the laws enacted by the Congress. I ask that you and your subcommittee, mindful of the past record of the administration, write legislation in such a manner as to preclude the possibility of "interpretation" by the administration and establish regulations which reflect a realistic and reasonable assessment of student needs.

Thank you for your consideration of this request.

Sincerely,

DONALD W. CHENELLE,
President, Ohio Association of Students.

ARTHUR D. LITTLE, INC.

DOCUMENTED EMPLOYER BENEFITS FROM COOPERATIVE EDUCATION

THE REPORT OF A STUDY FOR NORTHEASTERN UNIVERSITY, BOSTON, MASS., MAY 1974

INTRODUCTION

Cooperative education, the combination of work and study as integral parts of the educational process, is an innovation in higher education initiated by Herman Schneider (later Dean of Engineering) at the University of Cincinnati in 1906. Dean Schneider's concept was a relatively simple one—if college students could spend a portion of their time working in industry, applying in practical work situations the knowledge and theory gained in school, their educational experience would be a richer and more meaningful process. In addition, students would derive economic benefit from reasonably well-paying jobs related to their career interests.

In 1909, the Polytechnic School of the Boston YMCA Evening Institute (which later became Northeastern University) initiated cooperative engineering courses. However, cooperative education was not restricted to engineering or technical curricula. Antioch College became the first liberal arts college to offer cooperative education programs in 1921. From the turn of the century until after World War II, these pioneering institutions, together with approximately forty other institutions, demonstrated the educational value of cooperative education through actual practice.

The contemporary history of cooperative education began in the mid-1950's. It has been a period characterized by educational research on various aspects of cooperative education, national promotion of cooperative education, rapid expansion of both program offerings and student participation, and the application of Federal government support. Immediately after World War II approximately 43 institutions offered cooperative education programs. By 1973, the number of institutions offering cooperative education programs had expanded to 566 colleges, universities, and community colleges. This enormous expansion has been the result of a concerted national effort to document and publicize the benefits of cooperative education. The main thrust of this effort came from leaders who had been involved in the development of cooperative education and who, from their experiences, were sensitive to the benefits and potential of cooperative education on a national scale.

In the late 1950's, educators were perplexed about how best to extend the range of educational offerings to accommodate the rapid growth of enrollments resulting from the "baby boom" after World War II. Charles F. Kettering, Research Director of the General Motors Corporation, Chairman of the Thomas Alva Edison Foundation, and advocate of cooperative education, proposed that the Edison Foundation sponsor a conference of educators and representatives of business and industry to examine the further use of cooperative education as one possible solution. The conference, "Cooperative Education and the Impending Educational Crisis," was held in Dayton, Ohio, on May 23-24, 1957. The participants concluded that cooperative education had tremendous potential for expansion, but it was recognized that an objective, systematic evaluation of its merits must precede major efforts to expand cooperative education on a national basis.

The fund for the Advancement of Education sponsored a two-year national study to systematically investigate the claimed advantages and feared disadvantages of cooperative education. The study was directed by Dr. Ralph W. Tyler, Director, Center for Advanced Study in the Behavioral Sciences. He was assisted by Dr. James W. Wilson who functioned as the executive director of the research staff for the study. Dr. Tyler concluded, "Cooperative education has important values for colleges and universities, for students and employers. These values should be given wide publicity, and cooperative programs in American higher education should be greatly extended."

As a result of the study cited above and a subsequent conference in June, 1961, "The Princeton Conference on Work-Study in Higher Education", the National Commission for Cooperative Education was established in 1962 to serve as a national forum for the promotion of cooperative education. The trustees of the National Commission were selected on the basis of their extensive experience with cooperative education in colleges and universities, and with its operation in business and industry. The primary aims of the National Commission over the last decade have been to:

Interest institutions of higher education in adopting cooperative education programs;

Organize conferences to inform leaders about cooperative education;

Provide consultants to institutions of higher education which need advice in developing, organizing, and setting up programs involving educationally related work experience;

Provide a continuing program of public information regarding cooperative education;

Encourage the development of new forms of cooperative education; and

Interest industry, labor, government, and others employers in cooperative education.

The leaders of cooperative education, working through the National Commission for Cooperative Education, have encouraged the development and passage of three major pieces of Federal legislation concerning cooperative education during the last decade. First, in Title III of the Higher Education Act of 1965, the program for "Strengthening Developing Colleges" authorized funds for the installation of cooperative education as one of the five alternatives for which a developing institution could request support. Second, after four years of communication and testifying, the National Commission was successful in having the Cooperative Education Program included as Title IV–D of the Higher Education Amendments of 1968, and re-enacted in the Higher Education Act of 1972. Congressional appropriations for the first three years were $1,540,000 $1,600,000 and $1,700,000 with a substantial increase to $10,750,000 for 1973–74. Third, the Cooperative Vocational Education Programs were included in the Vocational Education Amendments of 1968 to encourage expansion of cooperative education in community colleges and high schools. The Congress appropriated $14,000,000 for the first year of the program; the current level is $19,000,000. Through these three programs, the Federal government is spending $32,000,000 between July 1, 1973 and June 30, 1974, to further develop and expand cooperative education.

From the increase in Federal funding of cooperative education (particularly when compared with impending cuts in the budgets of other programs), it is quite evident that the Federal government is committed to the significant expansion of cooperative education programs that meet certain desirable criteria. Expansion of the scope envisioned will require much broader participation on the part of employers. Generating this more extensive participation of employers in cooperative education constitutes a major task of critical importance to leaders of the cooperative education movement.

Over the last fifteen years, the interest in expanding cooperative education has been manifested primarily by certain educational institutions, the Federal government, and students. The other partner vitally important to the successful realization of the national potential of cooperative education is *the employer* of cooperative education students. With Federal funds available to plan and implement additional cooperative education programs, and the number of educational institutions offering cooperative education programs rapidly expanding, there will be a significant increase in the demand for placement of cooperative education students. The success of the planned expansion of cooperative education will vitally depend on the availability of an increasing number of meaningful positions for off-campus work experiences.

In April, 1972, a National Conference on Cooperative Education was held to address the issue of how to extend employer awareness of the benefits of cooperative education. The conference was attended by leaders from industry, government and education vitally interested in the successful expansion of cooperative education. Leaders from industry expressed the view that cooperative education programs have been economically beneficial to the employers.

The employee retention rate of cooperative education graduates was believed to be higher than that for newly employed college graduates in general. Cooprative education student recruitment and selection seem more efficient because of the opportunity employers have to evaluate students on the job, and the opportunity students have to evaluate the employment situation. Furthermore, it has been observed that cooperative education graduates may manifest a more rapid rise into managerial ranks. It was agreed, however, that these were judgmental observations and that there is a need for a systematic analysis and evaluation to substantiate these generally subjective impressions.

A. SPONSORS AND CONCEPTUALIZERS OF THIS STUDY

Dr. Asa S. Knowles and Dr. Roy L. Wooldridge identified the need for a study to document and, where possible, quantify the benefits employers realize from cooperative education. Dr. Knowles is the President of Northeastern University and Dr. Wooldridge is that institution's Executive Vice President for Cooperative Education. Both men are internationally known as leaders in the development of cooperative education. They conceived this study as the initial pilot stage of a nationwide study to define the expansion potential of cooperative education and to stimulate and support the actualization of that potential. They envision the use of the results of this first stage study in a larger second effort which would produce a policy plan or strategy of national scope for involving more employers more effectively and extensively in cooperative education.

Since the results of this study must be credible to employers in business, industry and government, President Knowles and Dean Wooldridge met with representatives of Arthur D. Little, Inc. (ADL), a research and management consulting firm, to explore ways of utilizing our firm's resources in producing the desired study. After several interchanges, including a detailed proposal from ADL, President Knowles contracted with and funded ADL to carry out this study.

B. STUDY TEAM COMPOSITION AND RELATIONSHIPS

The Arthur D. Little, Inc., study team was selected to represent substantial experience and capabilities in program evaluation, research design, personnel administration in both the public and the private sectors, cost/benefit analysis, and program administration in educational institutions. In addition to the ADL professional staff, the study team was augmented by two top level resource persons from the staff of Northeastern University:

Professor Paul E. Dubé, Director, Institute for Off Campus Experience and Cooperative Education; and
Dr. James W. Wilson, Director, Cooperative Education Research Center.

ADL members of the core team included:

Mr. Nicholas Deininger,
Mr. Kenneth W. Rodgers, and
Dr. Charles C. Halbower, Project Director.

The early work of the study team benefitted substantially from frequent interactions with Professor Dubé, Dr. Wilson, and Dean Wooldridge. This initial activity was focused largely on the development of a detailed work plan, the identification and selection of six employing organizations to participate in the study, and the operational definition of possible benefits to employers from cooperative education. Midway into the study, Professor Dubé and Dr. Wilson joined with us in visits with key representatives of employers participating in the study. Throughout the course of the study regular progress reports, feedback discussions, and reviews of interim study products were maintained with Dean Wooldridge.

We would like to express our deep appreciation to the employing organizations and their representatives who participated in this study. They are:

General Electric Company:
  Mr. Roy H. Beaton, Vice President and General Manager, Electronic Systems Division
  Mr. Donald Irwin, Program Manager for Cooperative Education
  Mr. Charles A. Church, Corporate Education Staff, Manager Applicant Referral Center
  Mr. James J. Caufield, Manager Steam Turbine Division
  Mr. Bert J. Forest, Personnel Staff, Lynn Riverworks Plant

Liberty Mutual Insurance Companies: Mr. Warren E. Marshall, Assistant Vice President, Manager of Personnel Development

Pioneer Cooperative Bank: Mr. David A. Hanson, Assistant Treasurer

Social Security Administration: Mr. Ronald J. Smith, Access Program Coordinator

Wellesley (Massachusetts) Public School System
    Dr. Richard Goodman, Superintendent
    Dr. James Peebles, Junior High School Principal

Xerox Corporation
    Mr. Horace Becker, Vice President Research and Development
    Mr. Isaac Shaw, Coordinator, Cooperative Education

We are most grateful for the time and effort they contributed so generously to this project.

It was a pleasure and a privilege for the ADL team members to work with Professor Dubé, Dr. Wilson and Dean Wooldridge. We are especially appreciative of the knowledgeable guidance and effective coordination provided by Dean Wooldridge. We thank President Knowles for the opportunity of working with members of Northeastern University's staff on such a stimulating and potentially beneficial study project.

CHAPTER I—SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The objective of this study was to identify, document and, where possible, quantify the benefits selected employers derive from their cooperative education programs. It was planned as the first and pilot stage of a two stage nationwide study. The purpose of the overall study is to stimulate and support a significant nationwide expansion of cooperative education.

Basic to the purpose of the overall study effort are the following premises:

(1) College students and educational leaders are increasingly appreciative of and involved in cooperative education. Several studies have documented the value of cooperative education to students and to educational institutions. From the end of World War II to 1973 the number of collegiate institutions offering cooperative education programs increased from approximately 43 institutions to over 566 colleges, universities and community colleges. The number continues to grow.

(2) The Federal government is committed to a significant expansion of cooperative education programs that meet desired criteria. Under provisions of the Higher Education Act of 1972 Congressional appropriations to support the Cooperative Education Program increased from $1.7 million to $10.75 million for 1973–74.

(3) Expansion of cooperative education on the scale suggested above will require significantly greater participation on the part of the nation's employers. This must include involvement of increasing numbers of employing organizations not now hiring cooperative education student employees together with broader and more extensive utilization of cooperative education programs by employers now only modestly involved.

(4) Essential to the significantly greater participation of employers in cooperative education is their understanding of the several ways cooperative education can benefit them.

(5) Very little systematically researched and publicly available data exist regarding employer benefits from cooperative education.

Therefore, as the first step in the effort to engender significantly greater participation of employers in the desired nationwide expansion of cooperative education, it was decided to research and document the benefits actually being derived from cooperative education by a small sample of employing organizations known to be effectively managing their cooperative education programs. This new research-based information could then be utilized in subsequent efforts to inform the nation's employers of ways they too might benefit from more extensive or perhaps more purposefully managed cooperative education programs.

Northeastern University officials, leaders in the cooperative education movement for many years, identified the need for such a study and conceptualized its broad outlines. They contracted with and funded an Arthur D. Little, Inc., study team to carry out the first stage of the study. This report is the principal product of that commitment.

This report is organized as follows. The Introduction offers background information concerning this study; brief comments on the development of cooperative education; a discussion of the need for this study, its conceptualization and its sponsors; and a description of the study team composition and relationships with Northeastern University officials. Chapter II discusses the selection of employers to participate in the study; and it briefly describes the six employing organizations and comments on their cooperative education programs. Chapter III presents in some detail the results of our analysis of each of the benefits the six employers are deriving from cooperative education. Chapter IV discusses a number of policy level and operational level issues concerning the management of cooperative education programs by employers, and offers several recommendations for optimizing employer benefits from cooperative education.

The remainder of this chapter presents a summarized discussion of the study design, a brief summary of each of the benefits being derived from cooperative education by the six employers, and a list of employers' situational difficulties in which cooperative education would appear to be specifically beneficial.

A. THE STUDY DESIGN

To produce the information and analyses desired in this study the "case study" approach was adopted. The subjects of the case studies were a small number of employing organizations of various types and sizes whose cooperative education programs differed in the length of time they had been in operation and in ways they were utilized and emphasized. A sample of six (N=6) was agreed upon as being both adequate for the intended purpose and manageable within time and budget constraints.

Important characteristics *common to each employer* to be considered for inclusion in this study were established as: (1) a policy level commitment to cooperative education based on conclusions by management that cooperative education was beneficial to that organization; and (2) recognition by knowledgeable cooperative education leaders in educational institutions that the employer was managing its cooperative education program so as to derive several benefits from it. Characteristics we sought to vary among employers selected for study were those of size, economic sector and type of activity, and duration of the cooperative education program. After considerable exploration and discussion, the following six employing organizations agreed to participate with us in this study:

General Electric Company.
Xerox Corporation.
Pioneer Cooperative Bank.
Liberty Mutual Insurance Companies.
Social Security Administration.
Wellesley (Massachusetts) Public School System.

In planning the case studies of the six participating employers, we reviewed the literature on cooperative education to ensure that our explorations of employer benefits would cover the full range of potential benefits suggested or referred to in the literature. Our task then was to define those potential benefits in operational terms and to specify those data to be collected and analyzed so that we could determine whether, and the degree to which, those potential benefits were being realized. These definitions and specifications were then utilized in constructing standard data collection instruments to be applied where feasible in the case study of each employing organization.

Within each of the six participating organizations we interviewed policy level officials and those most directly involved in administering the cooperative education programs. We collected background information about the organization, its personnel administration and personnel data system, the history of its cooperative education program, and the way its cooperative education program is now managed and utilized for various purposes. We obtained judgments from interviewees on a broad and largely predetermined set of issues and questions concerning their cooperative education programs; and we pressed for "hard data" that would support or qualify the interviewees' conclusions. In partciular, we sought information from each employing organization that would permit comparative analyses of the relative costs and benefits of utilizing its cooperative education program to achieve certain ends *versus* the costs and benefits of utilizing alternative means or programs to achieve the same ends.

For each employing organization we constructed a profile of the specific benefits the organization was attempting to derive from its cooperative education program, together with whatever evidence was available to document whether or not, and to what degree, those benefits actually were being derived.

It became apparent that similar benefits to employers from cooperative education were occurring in each of three definable stages or time phases, and that some employers were managing their cooperative education programs to derive benefits more in some time phases of their cooperative education programs than in others. Therefore, we decided to present and discuss each benefit separately, in the time phase in which it typically occurred, and to indicate which employer was obtaining that particular benefit and how.

A draft of our conclusions about the benefits that each employing organization was deriving from its cooperative education program was sent to a representative of that organization for review prior to including that information in this final report.

B. BENEFITS TO THE SIX EMPLOYING ORGANIZATIONS

Employers can derive benefits from their cooperative education programs in one or more of three generally definable time phases: (1) the preprofessional employment phase; (2) the recruitment, selection, orientation and initial training phase; and (3) the permanent professional employment phase. Chart 1 on the next page defines those phases and indicates employer benefits possible in each of those time phases. Each of these time phases of cooperative education is discussed below together with a summary of the benefits employers realize from cooperative education in each phase.

1. The Preprofessional Employment Phase

Benefits in this first phase are derived from the employment of cooperative education students as they alternate periods of academic study with periods (workblocks) of actual work experience in jobs related to their career development. This phase begins with the student's first workblock with an employer and continues until the employer decides that the student is a good candidate for "permanent" employment. This decision usually is made in the student's final workblock, although employers increasingly are making and acting on this decision earlier (in the student's next to the last workblock), especially when the student is a particularly attractive candidate for permanent employment. If the employer decides not to offer employment to the student upon graduation, the employer can still benefit from effective utilization of the student employee through his or her final workblock.

There are at least four specific types or classes of benefits that employers can derive from their cooperative education programs in this first Preprofessional Employment phase. However, employers differ in the ways they manage their cooperative education programs. Some manage their programs purposefully to derive all four types of benefits, or to stress the yield from some of the four types of benefits more than from others. More typical, apparently, is a focus on deriving two or perhaps three types of benefits. And of course, employers differ in the ways and the degree to which they exploit particular benefits within each type or class of benefits.

CHART 1.—PHASES OF COOPERATIVE EDUCATION IN WHICH EMPLOYER BENEFITS OCCUR

Phases	Definition	Benefits
1. Preprofessional employment	The period begins with the first work block and extends up to the last work block of the employed co-op student. Phase ends when the employee seeks and the employer considers permanent employment.	(a) Good source of manpower (preprofessional or paraprofessional); (b) generates professional released time; (c) improves the personnel selection process; (d) enhances relations with colleges and other students.
2. Recruitment, selection, orientation, and hiring.	The phase includes the last work block of co-op student employment through completion of orientation to entry level employment. The orientation can include either formal or informal training. Phase ends when the co-op student is hired full time and becomes "permanently" responsible to the supervisor for the quality of his work.	(a) Facilitates entry-level recruiting; (b) facilitates assessments of employee quality and promotability or advancement potential; (c) improved access to and by minority employees; (d) improved cost-benefits in recruitment and training.
3. Permanent professional placement.	The period includes at least the first 3 years of permanent employment. The end point of this phase is not clear from our study but needs to be established. It extends to that time beyond which differences in value or performance of employees cannot be attributed to whether or not they are former co-op students.	(a) Longer average retention (lower attrition); (b) high-quality employees; (c) more rapid advancement.

This study reveals that in the Preprofessional Employment phase, employers derive the following four types of classes of benefits from their cooperative education programs:

(1) a good source of paraprofessional or preprofessional manpower;
(2) the generation of professional released time;
(3) contributions to improving the personnel selection process; and
(4) fostering effective relationships with colleges and enhancing the overall effectiveness of college recruiting.

Each of these types or classes of benefits is discussed briefly below and in more detail in Chapter III. Also indicated below, and treated at greater length in Chapter III are those employing organizations that purposefully and demonstrably capitalize upon each of these potential benefits.

a. A Good Source of Paraprofessional or Preprofessional Manpower

The employer benefit most commonly derived from cooperative education programs is obviously that of utilizing cooperative education student employees as a good source of paraprofessional and preprofessional manpower. Some employers designate specific positions or "workslots" as "Co-op positions." Those positions are then filled constantly by cooperative education students alternating between their workblocks and their periods of academic study. Employers also utilize cooperative education student employees in a series of specific, short-term tasks which may not constitute a defined "position" but which capitalize on the students' particular levels of knowledge, intelligence, and skill. Employers benefit most from this mode of utilizing cooperative education student employees when they purposefully design these positions and select tasks so that they make genuine, meaningful contributions in achieving organizational objectives. Increased benefit also depends on the care with which cooperative education student employees are placed in positions which make optimum use of their capabilities as they grow with additional experience and learning.

Important in the economics of cooperative education study employee utilization is the determination of pay scales and fringe benefits for such employees. Most cooperative education students are paid according to the salary levels for specific job classifications which take into account not only the job demands but also levels of education and prior work experience of the employee. Employers generally pay cooperative education student employees at the same salary level they would pay other new "permanent" employees in the same positions or job classifications. While they find that "permanent" employees in those positions usually become more efficient in the more routine functions of the job (because of longer experience in the jobs), they also find that cooperative education students in those positions usually learn faster and better.

Two major economic benefits to employers are derived from the typical differential cost of cooperative education positions *versus* "permanent" positions. A permanent employee in a given paraprofessional or preprofessional position typically advances up the salary scale annually or on some other basis of "time in grade," even though the position requirements do not change. However, the salary for that same position can be maintained at the same level for longer periods (or with only cost of living adjustments) by rotating cooperative education student employees into that position. In addition, the fringe benefits of permanent employees typically cost significantly more than those of cooperative education student employees who fill equivalent positions, since they are often classified as "term" or temporary employees, or as employees who regularly go on "leave without pay."

All six employing organizations managed their cooperative education programs so as to derive benefits of this type or class. Some employer representatives believe that their programs could be economically justified solely from benefits of this type. However, because of data limitations it was not possible to carry out systematic comparative cost analyses to document the extent of such benefits.

b. Generation of Professional Released Time

Four of the six employers (General Electric, Xerox, Social Security Administration, and the Wellesley Public School System) utilized their cooperative education programs to derive incremental value from their cadre of permanent professional staff. This type of benefit is made possible by: (1) pairing cooperative education student employees with professional staff who utilize the student employees as assistants to carry out the less demanding elements of their jobs;

or (2) redefining professional level positions to focus more exclusively on professional level tasks, and complementing those positions where necessary with closely related paraprofessional or preprofessional level support positions to be filled by cooperative education student employees with appropriate knowledge and skill. This permits more work of greater value to be accomplished by the higher paid professional staff. The less demanding tasks can be carried out more economically by the lower paid cooperative education student employees under the guidance of the professional staff.

It is obvious that careful and purposeful personnel administration is required to generate professional released time from the utilization of cooperative education student employees, especially if benefits of this type are to be maximized. The realization of this employer benefit also tends to benefit additionally the cooperative education student employees through the purposefully closer working relationships with professional staff, a highly valued learning opportunity.

While four of the employers demonstrated the steps they have taken to realize this potential and obvious economic benefit from cooperative education, none had "hard data" available to quantify this benefit.

c. Contributions to Improving the Personnel Selection Process

Cooperative education programs provide unique opportunities for both the prospective employer and the prospective permanent employee to evaluate each other in terms of an appropriate "match" for possible permanent employment. The unique value of such opportunities lies in the "reality" features of what amounts to actual trial employment in a mutually beneficial arrangement without long-term commitments by either party.

The student employee gets a reality-based understanding of job requirements, style of supervision, organizational "climate," and opportunities for satisfying work and advancement. Important to both employee and employer, the cooperative education student employee has a unique and early opportunity to explore and assess the appropriateness of his chosen career and thus the appropriateness of his academic major or specialization.

The employer has an opportunity to evaluate the performance of the student employee on the job and with respect to various tasks and functional requirements. Such on-the-job performance evaluations permit significantly more effective screening of potential candidates for permanent employment than is possible with alternative procedures limited to the evaluation of candidates' grade averages, test scores, extra-curricular activities, and reference checks. Employers who manage their cooperative education programs so as to capitalize on these reality-based performance evaluations can improve the validity of their selection decisions and reduce the incidence and the cost of bad selection decisions.

Five of the six employers in this study manage their cooperative education programs purposefully to benefit from opportunities afforded to improve their employee screening and selection process. Those employers are: General Electric, Xerox, Pioneer Cooperative Bank, Social Security Administration, and the Wellesley Public School System. Three of those five employers had specific data available to demonstrate the realization of this benefit.

d. Fosters Effectiveness of College Relations and the Overall College Recruiting Effort

Four of the six employers in this study (General Electric, Liberty Mutual, Pioneer Cooperative Bank and Social Security Administration) utilize their cooperative education programs as vehicles for fostering interaction with participating colleges and for enhancing the effectiveness of their overall college recruiting. Cooperative education programs provide employers with specific contacts and means for communicating regularly with the institutions about changing personnel requirements, including possible new functional or knowledge or skill requirements in specific occupations and industries. This feedback permits teaching faculty to modify the content of certain courses or the options that might be offered in standard programs. This feedback also enables career counselors and faculty advisors to be more realistic in the counseling and guidance of students regarding career opportunities and related academic preparation. Such feedback and its effects benefit the college, its students, and eventually the employer.

An even broader or more general potential employer benefit from participating in cooperative education programs is the enhancement of the employer's overall *college recruiting effort.* Faculty advisors, college counselors and cooperative education coordinators can do a *much better job of accurately advising students* about employment opportunities and requirements when they are familiar with the employment situations of specific employers. Interactions concerning cooperative education programs can produce that familiarity. And finally, and quite important to some employers, cooperative education student employees satisfied with their work experiences can be effective promoters of their employer in contacts with other students.

2. The Recruitment, Selection, Orientation and Initial Training Phase

Employer benefits in the second time phase of cooperative education are those incremental advantages afforded in the recruitment, selection, orientation and initial training of "new college hires," i.e., college graduates hired into entry level professional positions. This phase typically begins with the last workblock of cooperative education student employment, although it may begin earlier in the student employee's next to last workblock, especially if the "co-op student" is a particularly attractive candidate for permanent employment. It begins operationally with the employer's identification of likely candidates for permanent employment from a review of the performance evaluations of cooperative education student employees. It includes the mutual exploration of possible entry level positions, the negotiation of a mutually acceptable employment agreement, and the orientation and training of the "new hire" for the "permanent" position.

There are at least four specific types or classes of benefits that employers can derive from this phase of their cooperative education programs. Some employers manage their programs so as to realize or emphasize more of these potential benefits than is the case with other employers. These four potential benefits include:

(1) the facilitation of professional entry level recruiting;
(2) the facilitation of assessments of employee quality and promotability;
(3) improved access to and by minority employees; and
(4) improved cost/benefits in orientation and initial on-the-job training.

Each of these benefits is discussed briefly below and in greater detail in Chapter III. Indicated below, and treated at greater length in Chapter III, are the employing organizations that demonstrably capitalize upon each of these potential benefits.

a. The Facilitation of Professional Entry Level Recruiting

Five of the six employers in this study (General Electric, Xerox, Pioneer Cooperative Bank, Social Security Administration, and the Wellesley Public School System) demonstrated evidence that they manage their cooperative education programs to facilitate professional or college entry level recruiting. Among those five employers this "facilitation" was demonstrated in different ways and produced various advantages over alternative modes of college entry level recruitment. Some of these advantages were obviously more "economic" than others. However, none of the employers maintained cost data which would permit documentation of the extent of the cost/benefits of recruiting entry level professionals from their cooperative education programs *versus* other modes of recruitment.

Most of the five employers demonstrated that the "yield" per employment offer (acceptances of permanent employment as a percent of offers) is significantly higher for cooperative education students than for college seniors recruited in other ways.

Another demonstrated advantage of recruitment and selection from cooperative education student employees is that line managers and supervisors participate earlier and more meaningfully in the process than characteristic of other modes of recruitment and selection. The on-the-job performance evaluations of "co-op employees" by the line managers and supervisors and their participation in the hiring process enhance the specificity of job offers and the confidence with which they are made.

The cooperative education student employee is much more aware of employer requirements and specific job requirements in that organization than an employment candidate recruited directly from campus. Thus he can make more informed career decisions and even more valid choices among possible job openings in the employer's organization. At least for some employers this appears to result in higher job satisfaction as indicated by reduced turnover and transfers.

One employer, the Pioneer Cooperative Bank, elected to utilize its cooperative education program as its sole college recruitment vehicle. This decision was made partly on the basis of comparative costs of various modes of recruitment and partly because of the desire to minimize potentially costly errors in selection of personnel to be developed as the Bank's middle managers.

b. The Facilitation of Assessment of Employee Quality and Promotability

Four of the six employers (Xerox, Pioneer Cooperative Bank, Social Security Administration, and the Wellesley Public School System) purposefully manage their cooperative education programs to realize the benefit of being able to assess and forecast employee quality and promotability accurately.

Xerox utilizes cooperative education student employee performance evaluations as a primary factor in its decisions to offer permanent employment; and offers are usually made only if the evaluations suggest that the candidates will meet entry level requirements. Pioneer Cooperative Bank uses its teller positions (most of which are "co-op positions") as on-the-job training and selection experiences to determine which individuals will be further trained and developed as middle managers in the Bank. The Social Security Administration's cooperative education "Access Program" is designed specifically to train, evaluate and retain only those student employees who will qualify for entry-level professional positions upon graduation from college and completion of the program, and then be assured of progress up the career ladder from entry-level positions of GS–5 or GS–7 to the GS–10 or GS–11 level. The Wellesley Junior High School generally hires inexperienced teachers only if they have had a prior work experience in the school. This policy was adopted to facilitate selection of high-quality teachers capable of qualifying for tenure through the use of first-hand, on-the-job performance evaluation.

c. Improved Access to and by Minority Employees

Two of the six employers in this study (Liberty Mutual and the Social Security Administration) purposefully and demonstrably utilize their cooperative education programs to improve access to qualified minority employees and to improve access to professional level jobs for qualified minority student employees. In 1973 the Social Security Administration's Program Access involved 208 cooperative education student employees, of which 60 percent were members of minority groups. Of the 24 students successfully completing the program since its initiation in 1972, 22 were hired as entry-level professionals and exactly 50 percent of those hired were members of minority groups.

Three other employers recently have taken action to facilitate the hiring of minority employees through their cooperative education programs. Of all the cooperative education student employees of General Electric 41 percent are members of minority groups and 18 percent are women.

d. Improved Cost/Benefits in Orientation and Initial Training

None of the six employers in this study maintained the comparative cost data and quantified estimates of benefits regarding those aspects of personnel administration that would permit straightforward analyses of the degree of cost/benefit being derived from their cooperative education programs. However, two of the employers with relatively new programs (Pioneer Cooperative Bank and the Social Security Administration) maintained data which permitted the determination that a positive relationship existed between the benefits and costs of certain aspects of their "co-op programs" when compared with similar aspects of alternative programs. That was true of the cost/benefits of orientation and initial on-the-job training, especially when the factor of significantly increased retention in entry-level "permanent" positions was considered.

With the exception of the Wellesley Public School System, employers in this study judged their cooperative education programs to be more cost-effective than alternative programs in the orientation and training of employees for their initial entry-level positions in permanent employment. There was no doubt that the understanding of an organization's operations, management processes, job require-

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ments and "product lines" was superior and less costly to produce for cooperative education student employees selected for permanent positions than for direct hires from campus. Pioneer Cooperative Bank and the Social Security Administration were able to document that advantage. In addition, Liberty Mutual can offer permanent employees hired from its cooperative education program a starting salary of up to $1,000 a year more than it offers other entry-level new college hires. It is believed that this represents the "value added" from the orientation and training experience of the cooperative education student employee.

3. The Permanent Professional Employment Phase

Employer benefits in this third time phase of cooperative education actually are advantages the employer derives after the former cooperative education student employees have been hired and placed as permanent employees. The time phase lasts until the value of such employees no longer can be attributed to whether or not they were cooperative education students. This time period is estimated to be of at least three years' duration and probably not more than five years, but it has not been established through systematic research.

At least three types or classes of benefits appear to be realized from cooperative education by at least some employers in this third time phase. They include:

(1) longer average employment (higher retention or less attrition);
(2) high staff quality, as measured by performance appraisals; and
(3) high potential for advancement or promotion.

a. Higher Retention (Less Attrition) of Former Cooperative Education Student Employees

Three of the six employers in this study (Xerox, Social Security Administration, and the Wellesley Public School System) maintained a personnel information system which would permit comparative analysis of the retention of permanent employees who are former cooperative education student employees *versus* those who are not. In the Social Security Administration, retention of former cooperative education students in almost a year of entry level professional employment is significantly higher than that of other new college hires. In the Wellesley Junior High School 100 percent of new teachers hired from the pool of former cooperative education student employees were eligible for tenure after three years of employment. However, this was not significantly higher than the retention of other new teacher hires, all of whom had prior work experience in the school. Analysis of available data showed that in the Xerox Corporation retention of former cooperative education students was not significantly different from the retention of other entry level new college hires.

b. Potential for Advancement or Promotion

The cooperative education programs of four of the employers in this study have existed long enough to have some information on the comparative rate of advancement (promotion) of former "co-op students" versus those who are not. However, their personnel information systems do not readily permit such comparative quantitative analyses. The Pioneer Cooperative Bank and the Social Security Administration will be able to carry out such comparative analyses in two to three years.

The Wellesley Junior High School represents the only source of data available for such a comparative analysis, and then only if achieving tenure is regarded as "advancement or promotion." All nine former "co-op students" hired as starting teachers in the Junior High School have been awarded tenure. However, this is not significantly higher than the rate of tenure award for teachers also who had prior work experience in the school but were not former "co-op students."

c. Staff Quality as Measured by Performance Appraisals

Of the six employers in this study only the Xerox Corporation had *both:* (1) a cooperative education program of sufficient duration to place graduates in permanent employment long enough to receive systematic performance evaluations; and

(2) a personnel information system which permitted comparative analysis of the performance evaluations of former "co-op students" versus other new college hires who were not. Analysis of the Xerox data showed no significant differences or systematic trends in the performance evaluations of the two groups of permanent employees.

Both the Pioneer Cooperative Bank and the Social Security Administration have relatively new cooperative education programs, and both will be able to make those comparative analyses of performance evaluations shortly.

Other indicators of "staff quality" can be used in such a comparison. While Liberty Mutual's data base does not permit quantitative measurement and analysis of the starting salaries of new college hires, the company frequently starts former "co-op student employees" at a somewhat higher salary (up to $1,000 a year) than those without the prior work experience in the organization. Also data from the Wellesley Junior High School show that teachers who are former "co-op students" have consistently been awarded tenure after three years of teaching experience as contrasted with a slightly lower rate of tenure awards among other beginning teachers.

Available data from General Electric regarding salary progress (i.e., rate of salary advancement) do not show a consistent difference or trend between former "co-op students" and those who are not.

Chart 2 on the next page summarizes the findings of our study. It shows that among the six employers in our study, more benefits are being derived from the earlier time phases of cooperative education than from the last one. Also, it shows that some employing organizations manage their cooperative education programs purposefully to realize a broader spectrum of benefits than do others. The next section summarizes and highlights a range of situational problems or difficulties in which cooperative education was found to be helpful.

C. PROBLEMS COOPERATIVE EDUCATION CAN HELP AMELIORATE

Listed below is a range of situational problems or difficulties frequently encountered by employers which an effectively managed and coordinated cooperative education program can help ameliorate. We suggest that if employers are confronted by one or more of the following problems, they consider cooperative education as one approach to improving their situation.

Cooperative education can be helpful if:

1. There is a need for a stable and prescreened source of intelligent and upwardly mobile preprofessional or paraprofessional manpower.
2. There is a need for more economic and flexible utilization of preprofessional level manpower.
3. There is a need to derive greater value from the work of professional level employees by permitting them to focus more exclusively on more professionally demanding tasks.
4. There is a need to improve the quality (validity) of the screening and selection decisions about new college hires.
5. It would be useful to enhance the quality and extent of relationships with colleges from which graduates are recruited.
6. It would be useful to have college faculty, counselors and students be more knowledgeable of employment opportunities in your organization.

CHART 2. DOCUMENTED[1] BENEFITS OF COOPERATIVE EDUCATION

[Legend: 1—General Electric Co.; 2—Xerox Corp.; 3—Liberty Mutual; 4—Pioneer Cooperative Bank; 5—Social Security Administration; 6—Wellesley Public School System]

Phases	Benefits employers receive	Employers participating in the study[2]					
		1	2	3	4	5	6
1. Preprofessional employment	A. Manpower Preprofessional Paraprofessional	X	X	X	X	X	X
	B. Professional released time	X	X			X	X
	C. Improved selection process	X	X		X	X	X
	D. Enhanced college relations	X		X	X	X	
2. Recruitment, selection, orientation, and hiring	A. Facilitates entry-level recruiting	X	X		X	X	X
	B. Promotability more accurately determined		X		X	X	X
	C. Improved access to and by minority employees			X		X	
	D. Improved cost/benefits in orientation and training			X	X	X	
3. Permanent professional employment	A. Higher average retention		X			X	X
	B. Potential for advancement				(?)	(?)	X
	C. Staff quality (as measured by performance appraisals)		X				X

[1] Benefits shown here are limited to those we were able to verify from interview information and from records of implemented activities. Some employers have recently implemented activities, the results of which are not yet available for analysis.

[2] See legend above for participating employers.

7. There is a need to improve the "yield" from employment offers and reduce the cost of campus recruitment.

8. There is a need to improve the promotability, or at least the assessment of promotability, of new college hires.

9. There is a need to improve access to the employment of qualified minority employees, and to increase access to professional level jobs by members of minority groups.

10. There is a need to reduce the cost of orientation and initial training of new college hires.

11. There is a need to reduce early attrition and turnover among new college hires.

12. There is a need to maintain high quality of new permanent professional level employees.

AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES,
Washington, D.C., May 23, 1974.

Hon. JAMES O'HARA,
Chairman, Special Education Subcommittee,
Education and Labor Committee,
U.S. House of Representatives,
Washington, D.C.

DEAR JIM: On behalf of the American Association of State Colleges and Universities, I would like to request that the enclosed statement by Dr. Bernard L. Hyink be made a part of the record of the hearings on the cooperative education and the college work-study programs.

Dr. Hyink is the Director of the University Center for Internships and Cooperative Education at California State University, Fullerton. He has played an active role in developing and encouraging cooperative education on the West Coast. I hope you will find his recommendations for strengthening the cooperative education program useful and his description of cooperative education programs in California informative.

At this point I would like to express the appreciation of our association for the fine hearing you gave Dr. Kenneth Brooks of the University of Maine System earlier this week.

Dr. Hyink, and Dr. Brooks, and other representatives of the American Association of State Colleges and Universities will be glad to be of further assistance to you and the other members of the subcommittee as you continue your work on the revision of the cooperative education provisions of the Higher Education Amendments of 1972.

Sincerely,

ALLAN W. OSTAR,
Executive Director.

Enclosure.

PREPARED STATEMENT OF BERNARD L. HYINK, DIRECTOR, UNIVERSITY CENTER FOR INTERNSHIPS AND COOPERATIVE EDUCATION AND PROFESSOR OF POLITICAL SCIENCE, CALIFORNIA STATE UNIVERSITY, FULLERTON

(This statement was prepared at the suggestion of the American Association of State Colleges & Universities)

It is my pleasure to submit this material for the consideration of your committee in the revision of Title IV, Part D, of the Higher Education Act (P.L. 90-75).

Based upon the experience of the cooperative education program at California State University, Fullerton, as well as information secured from neighboring colleges and community colleges, I wish to recommend certain changes in the present national legislation concerning cooperative education. These recommendations were approved by representatives from 14 colleges in California in a conference held March 20, 1974, attended by Dr. Roy L. Wooldridge, Executive Director of the National Commission for Cooperative Education.

There is a critical need to increase the present support of $10.8 million appropriated by Congress to $30 million for 1977 with $3 million for research, $12 million for new programs, and $15 million for expanding and strengthening present programs.

There is a tremendous increase in enrollment in cooperative education heretofore found primraily in the northeastern and southeastern parts of the United States, but now emerging in California, the Pacific Northwest, and Mountain States. Two community colleges in Orange County enrolled approximately 2,500 students in cooperative education in 1973. Three community colleges in the San Mateo area of California enrolled approximately 2,300 students in 1973. California State University, Fullerton, for example, started its program in September of 1973 with 408. This more than doubled in enrollment for the second semester of the first year to total 875.

Because of extreme budget limitations in the California State University and Colleges, it is necessary to have supplementary federal funds to support the program for the next three to five years. Many schools are experiencing employer interests far beyond the universities' and colleges' ability to fulfill because of staff limitations. This makes it difficult to inform students about job opportunities, to make selected referrals to jobs, and to counsel individually with students.

In the last several years approximately one-third of the funding under this act was allocated to educational institutions of the northeastern part of the United States; an additional one-third was allocated to colleges and universities in the southeastern United States. Colleges and universities in the Middle West, Rocky Mountain States, and the Pacific Coast have become increasingly interested in establishing programs in cooperative education. Their enrollments account for more than half of all the students in the United States and additional funds are necessary for them to initiate and to continue to develop their programs. For example, the enrollment at California State University, Fullerton, has increased from 600 to 19,500 in the past 12 years, and it is expected that a large percentage of these students will enroll in cooperative education.

I believe that the present definition of fundable cooperative education programs should be expanded so that both full-time and parallel programs will be recognized as equally fundable. The time frame "full-time" should be eliminated from the definition. Both employers and students are very much interested in a program whereby a student works 15 to 20 hours per week in a given professional work assignment for college credit, while at the same time attending the University with a normal full-time load. The proximity of business and industrial organizations to the campus and to the residence of the students makes this a very feasible and profitable experience.

Presently at California State University, Fullerton, 21 different departments of the University, including Anthropology, Art, Political Science, History, Sociology, Education, Theatre, Music, and Biological Science, as well as Business Administration and Engineering, are participating in a parallel cooperative education program. An interesting professional program has been worked out with the United States Internal Revenue Service. For example, a junior student in accounting is given credit in course for his assignment with the IRS, which conducts an internship involving full-time employment during the summer and a 20-hour week during the regular semesters of the college year. The student is qualified at the time of graduation for a regular IRS assignment at a GS–6 or GS–7 rank.

This "action-learning" program enhances the student's self-realization and provides cultural learning situations outside the classroom. His college education thus becomes more meaningful and worthwhile.

Student reaction to the program this first year has been very helpful. One student reported that while the college classes gave her many facts which she sometimes forgot, the experience on the job caused her to remember the factual information much more readily. Tying theory to practice was relevant and, therefore, more meaningful. Another student reported that contacts with persons actually working in professional situations was most helpful in getting a job later on. He had already received several job offers even before his "co-op" experience was completed.

Faculty response to the program for the first year has been very positive. Faculty members get closer to students in this program as contrasted with regular classroom instruction. One faculty member pointed out that the student is not compared with another student in regard to specific grades. There is mutual respect formed between the faculty coordinator and the student as they work together in determining the student's resources for getting a good job. Another faculty member pointed out that students get information about high level jobs that might not otherwise become known to them.

Employer support for our cooperative education and internship program has been enthusiastic and substantial. One large industrial firm with headquarters office in Fullerton has asked for ten student interns for next year who would be majoring in Engineering, Business Administration, and the Liberal Arts. Potentially, the Program for this company offers the opportunity to secure high-grade employees who have had experiences with the company while still in college. Employers have indicated that cooperative education is of real assistance in the program for the recruitment of college students. Whereas the attrition rate in the employment of college graduates in their firms runs about 60 percent within the first two years, with the employment of "co-op" students this rate is decreased to about 20 percent. Among the employers participating or planning to participate in the Fullerton program are: Aerojet General; Philco Ford; Rockwell International; Xerox Corporation; J. C. Penney; Beckman Instruments, Inc.; Hughes Aircraft Company; McDonnell-Douglas Corporation; the Department of the Navy; and the U.S. Internal Revenue Service.

I trust that this information will be valuable to you and I appreciate your consideration of this very worthwhile legislation. Should you wish, I would be pleased to serve as a consultant and to furnish additional material concerning the development of cooperative education programs on the West Coast, with particular reference to California.

PREPARED STATEMENT OF WILLIAM D. CEELY, DIRECTOR, NORTHEAST FLORIDA COOPERATIVE EDUCATION CONSORTIUM

Mr. Chairman, I appreciate this opportunity to present testimony to your special committee. I wish to express great thanks for the support that the Congress has rendered to higher education. Through your support you encourage us in many ways to keep improving our services.

My subject is Title IV–D of the Higher Education Act (Sections 451, 452, 453 of the Education Amendments of 1972, Public Law 90-575 and Public Law 89-329).

I represent a consortium of four community/junior colleges located in Northeast section of Florida. The colleges are:

Florida Junior College at Jacksonville (Congressional Districts—Bennett, Third; and Chappell, Fourth).

Central Florida Community College at Ocala (Congressional Districts—Fuqua, Second; and Chappell, Fourth).

Lake City Community College at Lake City (Congressional District—Fuqua, Second).

St. Johns River Junior College at Palatka (Congressional District—Chappell, Fourth).

The colleges formed this consortium to jointly plan the development and implementation of Cooperative Education programs. The consortium plans to continue as an organization on into the future to fulfill various sharing agreements.

One college, Florida Junior College, serves both a metropolitan county and a rural county. The others primarily serve counties of rural orientation. This means that varied problems are experienced in supporting a new program; however, the varied problems are best solved by putting collective thoughts together. A consortium will give all of our students more career experiences in the "long-run."

Mr. Chairman, we have some concerns. Sections 451, 452, and 453 of the Higher Education Act (Title IV–D, Cooperative Education), as written, do not provide sufficient flexibility for the community colleges.

The language in Section 451 stating that Cooperative Education is "alternate periods of full-time academic study with full-time public or private employment" is one of our problems.

Our studies show that 55-65% of our students must work to either go to college, stay in college, or support families while they pursue an education. Of the 55-65% who work, we also find that about 85% of them are carrying a full-time study load. However, many of them are not working in experiences related to their academic or occupational objective. Cooperative Education helps them do that. We all realize that when students work, this frees up financial aid, thus helping others who need governmental financial aid. This provides a broader scope in the use of Title IV funds. It also aids the student not able to qualify for financial assistance.

Employers tell us that they like the daily part-time working student. Examples are:

banks, during peak customer hours.
banks, during book closing periods.

computer firms during night periods.
production firms during peak runs and extra shift periods.
insurance actuarial departments from 4 p.m. to midnight.
human services agencies when patients are available for care.
distributive companies when customer loads are heavy, etc.
social agencies need continuity of employment in working with children, emotionally disturbed people and handicapped.

These experiences are ideal for the beginning Co-op student. He has the opportunity to begin at ground level and experience several options on his way up. This is important to the student who has yet to make a career decision and uses the early years of college for that purpose.

A rapidly emerging student is the part-time person who must work to support a family; who wants to make a career change; upgrade work skills; or who needs in-service training to become a full-time employee. Co-op is a valuable encouragement for these persons, not only to further an educational goal, but to perform some service or project that helps the company or agency, and the student's growth as well. For instance, an experienced worker wants to complete college after dropping out. He returns to college. Co-op challenges him by asking for a completed project such as: set up or renew an employee rating system; or, redevelop the baggage handling system for "X" airline; or, design a recreation program for nursing home patients; or, create a management training program for a small company; and, develop a product improvement program. With the employers and the colleges cooperating, these types of Co-op becomes highly productive.

Mr. Chairman, my recommendation is to drop the wording "full-time" as it now appears in Section 451. I think this will give us flexibility. It will also give more meaning to Section 453, and challenge the colleges to develop innovation and demonstration projects.

Mr. Chairman, my next concern is with the level of funding. The enabling legislation coupled with the appropriations act has provided the nation a valuable boost in generating Co-op. It, Co-op, lay waiting in the wings for a long time. I am watching many colleges come to the realization that Co-op serves many valuable purposes. I think your encouragement has been a catalyst.

Further encouragement is now needed. I note that grant requests for 1974–75 funds at the $10.75 million level amounted to over $28 million. Many schools did not seek grants for good reasons. If they had, grant requests would have amounted to five-fold the money authorized. I think that a five-fold authorization is needed and full-funding supported. The language of Section 451 should be further amended to authorize an appropriation of $50.8 million for each fiscal year ending prior to July 1, 1977, and $65 million for each fiscal year ending July 1, 1980. Within the above authorizations, at least $2.5 million should be authorized in support of training, demonstration, or research grants described in Section 453. The sum presently set is entirely insufficient to support needed training on a nationwide scale, appropriate research and evaluation of the program, make grants to launch significant demonstrations, and also develop operating programs. For instance, my consortium wishes to demonstrate an idea we have researched a great deal. The idea is to develop and operate a regional career development center. The center will devote its attention to providing all schools and colleges with a career development service, thus reducing the great amount of manpower now used in job search. The center will be non-profit, operated in behalf of the schools, and by retired or exchange business executives with a modest staff. Funds are needed to complete planning, set up staff services, rent computer services, provide the executives with some travel funds and operate the service. We can probably do the job for about $55,000 a year until self-sufficient. Under the $750,000 authorization demonstrations are not yet achieving priority. I am attaching our prospectus which further discusses this demonstration. (See *Attachment One*). In doing this demonstration we can work with the Employment Service, and an existing ten-college computer net. Also, we can work with an educational improvement project underway at Lake City Community College—described in *Attachment Two*.

Mr. Chairman, another concern is the duration of grants. The present three-year period is not sufficient in time to support a reasonable operational development and a realistic longitudinal evaluation. I think, Mr. Chairman, you have created a program which will do another great service for education similar to the effects of Title III. By granting added time to development, and providing for evaluations, we will see greater overall benefits. I refer to Section 452(C) of the Title. "Three years" should read "five years."

Another concern is the dollar amount of grants. I think the ceiling imposed by Section 452(A) is realistic. On the other hand, I suggest a floor of $35,000 per institution meeting qualitative criteria set by administrative guidelines. This will insure each grant recipient reasonable funding to initiate and support a growing program. By deleting planning from Section 451, thus requiring the colleges to show a definite commitment through a readiness to initiate Co-op, I think the minimum dollar amount is realistic to administer a qualitative program. The dollars granted for planning will be saved and we can afford a time extension.

Mr. Chairman, some thought and study should be given to consolidating that portion of the Vocational Education Act, (Career Education), referring to Co-op, with Title IV–D. All educational preparation leads to careers. It seems to make sense to consider this option. This would further recognize the emerging concepts of career eductaion.

A final concern, Mr. Chairman, deals with community college recognition. The U.S. Office of Education has recognized the two-year colleges' needs. Approximately 38% of the 1974 Title IV–D grants were made to these institutions. Based upon U.S.O.E. projections this seems to be an equitable distribution of funds. However, study will show that the employers are more familiar with the four-year Co-op institutions, and tend not to use the two-year programs. Some inducement should be given to employers in the form of a tax benefit to help the colleges. A tax benefit recognizes the Co-op employer and will cause him to incline toward taking a risk in employing the disadvantaged, minority, women, veterans, and handicapped. A tax benefit seems to be more equitable than developing a work-study program such as under the Career Education Act. This step will also aid the community college for it is that institution which supports the open-door policy. Open door says, "whoever you are you may enroll with us!" It means that "we have programs to fit many needs of people!"

On the other hand, modernizing and funding of Section 447 will have the effect of assisting non-profit agencies to support Co-op ventures.

Mr. Chairman, I appreciate this opportunity to submit testimony. I hope that my input serves to further your development of a program with great potential. Some results of your efforts will be:

more relevant education,
better quality and more modern education,
greater services to students,
financial benefits for students making other Title IV funds go further,
improving relations between the communities and colleges,
the tax payers really become involved in the educational picture,
higher motivation among students and consequently faculty,
better and more productive employment,
overall, an increasingly better outlook upon life by people,
and, an involvement by the community in education.

I thank you again, Mr. Chairman.

ATTACHMENT NO. 1

PROPOSAL PROSPECTUS

Objective: Form a "clearinghouse" to support the industry-school relations needed to advance the thrust of cooperative education.

What is Cooperative Education? A plan providing detailed job experiences for students. The phrase "a plan" suggests that co-op is organized and supervised. Classroom experiences and work experiences relate to each other. Students agree to work with a co-oping employer for productive purposes. The students receive the kinds of experiences needed to learn a job and understand responsibility. The employers receive students ready for training in the skills needed by their companies. The educational institution receives feedback from both parties (students and employers) on how the training is progressing.

Why is Cooperative Education Needed? Education must be made relevant to assure students a better means of developing a career and earning a living. At a time when alienation and stepping out seem to be school trends, it is important to bring educational institutions closer to other sectors of society in order to improve communications. Education should provide people with a better understanding of what they are learning to achieve greater insight and confidence in applying their knowledges and skills.

The cooperative plan of education appears to be one of the most viable means of achieving these goals. Through the cooperative plan, the traditional academic curriculum is complemented and enriched by career training and real life experiences that often promote better professional opportunities for people. Through the academic program and planned cooperative employment experiences in business, industry, or government, the student communicates what he perceives and receives constructive feeback. In this manner, the student acquires a better understanding of the role of government, educational, social and economic institutions, how they function and how they can be improved. The insight he acquires through his work experiences and the responsibility given him enhance his growth and development. As he matures and grows through his co-op experiences he feeds back suggestions which will help to improve school curriculum and its content as well as teaching techniques.

What is the Status of Cooperative Education today? At present there are over 800 colleges and universities around the nation which offer some form of co-op. This does not count the high schools. This is a tripling of the numbers of programs of the early nineteen sixties. In Florida there are 11 Florida colleges or universities offering a manpower pool to the growing "bold city". They are all in an early or advanced phase of co-op education development. Add to this college resource the secondary schools of the area and the sources of trained manpower potential grow geometrically.

What are the benefits to employers? (From one co-op employer):

An employer using the co-op plan finds that

Co-op students generally make willing, quick-to-learn, hard working employees.

Co-op students generally are loyal, if treated well, and their job turnover rates are low.

Co-op provides me, the employer, an excellent opportunity to evaluate a potential full-time employee.

Co-op students are most often "good will" ambassadors for the company back at the campus, and they can communicate the message "why profits are necessary to a growth economy".

The employer gets a much higher yield of acceptance from full-time job offers to their co-op than from non-co-op graduates.

Roy H. Beaton,
Vice-President and General Manager,
Electronics Systems Division, General Electric Company.

What is a clearinghouse? It can be a coordinating force which advances the cause of co-op education. As more and more educational institutions move on to the co-op scene (junior high schools, high schools, universities, community junior colleges, four year colleges) an artificial, yet real, competition will develop. These institutions can be just as competitive as business and industry. To prevent arbitrary competition—to preclude the schools from stumbling over each other in company personnel offices—to insure good support for co-op, a clearinghouse which develops job experiences and equitably directs the jobs to the institutions for placement serves the interest of industry, the students and the colleges and schools.

How does the N.A.B. and the clearinghouse "jibe"? The N.A.B. supports jobs for the minorities, the disadvantaged, and the military veteran. The clearinghouse will support them likewise. In addition, the clearinghouse will render support to women and the handicapped.

The N.A.B. is interested in the criminal offender and the disabled Vietnam veteran. So is the clearinghouse.

At this time, cooperative education oftentimes fails to reach the students most in need. Many of those taking advantages of cooperative programs are those already career oriented. Those students who can benefit the most from the cooperative experience are young people at the extreme ends of the social and education spectra: the economically and socially disadvantaged and the very academically oriented student. For the disadvantaged student, especially the minority student, cooperative education makes possible the opportunity to earn tuition while acquiring the education and life experiences that provide the sophistication needed to enter professional levels of employment. For the academically oriented student, the work experience brings him into contact with segments of society he only encounters in textbooks. It helps all students prepare for the careers in which teby will find greatest satisfaction by providing first-hand experience through the process of working and interacting with people on-the-job. Education should not only offer knowledge, but should help develop the ability to achieve and apply it.

What does the clearinghouse do? Under the umbrella of N.A.B. it will guarantee job placement for co-op experiences to students from its member schools. It will serve cooperating N.A.B. members on priority, but it will serve all companies, governmental agencies, and non-profit institutions on an equitable "criteria" basis. The clearinghouse should be independent of any one school's control, having its own Board of Directors formed from N.A.B. and educational institutions.

How can the clearinghouse be funded? There are several alternatives:

Each member contributes.

A foundation will make a seed grant.

A Federal-State grant will support the program for a few years to test its feasibility.

The industrial-governmental community of Jacksonville and surrounding communities will provide funds.

Recommendation: The N.A.B. agree to meet with school representatives to further explore the need and feasibility of forming a "clearinghouse".

BUREAU OF VETERANS SERVICES,
Augusta, Maine, May 29, 1974.

Hon. JAMES O'HARA,
U.S. Representative,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN O'HARA: It is my understanding that you are directly involved in the very important field of financial assistance to higher education. The federal Work Study Program would, therefore, be a part of your area of consideration.

My position with the State of Maine has allowed me to be involved with the Work-Study Program. We have made use of it in Maine for summer job programs for college students providing job slots with the various state agencies in their field offices throughout the entire State of Maine. The State of Maine provides the 20% or 30% matching funds and have given preference to students who are veterans, but has also provided many jobs for non-veteran students.

This program has been conducted for three summers now and has proven to be a very effective and meaningful program, both for the students and also for the state. It has provided the student, not only with financial assistance to allow him to continue his college education, but also with a practical exposure to public service career work, generally in his major field of study. We try to place the student majoring in social welfare in a social worker job, etc. It has been meaningful to the state because of the quality of the students participating in the program and has assisted the state in being able to attract the college graduate who is talented into working for the state as a career.

The present level of funding of work-study monies for most branches of the University of Maine has been cut. This has necessitated fewer veterans and fewer students being able to get involved in this summer job program. Most veterans need these summer jobs to supplement their G.I. Bill benefits in order to allow them to continue their college education.

We would very much appreciate anything positive that can be done by you and your committee in the area of restoring these funds to the University of Maine so that the program may be fully implemented.

Would appreciate hearing from you on this matter and would like to thank you for anything that you may be able to do to be of assistance to us here in Maine.

Sincerely yours,

ARNOLD L. LEAVITT,
Veterans Employment Coordinator.

ST. CLOUD STATE COLLEGE,
St. Cloud, Minn., June 7, 1974.

To: Hon. James A. O'Hara, U.S. House of Representatives.
From: Milford P. Johnson, Director of Financial Aids.
Subject: Student Financial Aid.

You have shown great insight into the problems of both students and post-secondary institutions of learning, and we of the financial aids community want you to know how much we appreciate your intelligent interest.

I have been asked by the Minnesota Association of Financial Aids Administrators to communicate a few of our concerns about student aid to you on the occasion of your visit to St. Cloud State College.

1. Although with some schools' enrollment is down, most of us are experiencing an increase in the numbers of students applying and qualifying for financial aid.

This necessitates increasing the size of the financial aids offices. The problem is, at least with the state colleges, that legislatures are attempting to hold the line on taxes, and, with enrollment sagging slightly, are unwilling to appropriate funds for staff expansion. The result is that, in spite of working 60 to 80 hours per week, we are unable to stay current with our work-load, and, worse yet, we are unable to give the students the kind of service and individual counseling to which they are entitled.

To remedy this unhappy situation we suggest that Congress act, as soon as possible, to increase the administrative reimbursement rate to the colleges from the current 3% to 5%. We also strongly suggest that Congress re-pass the 1% administrative reimbursement for the service performed in processing the guaranteed Student Loans. As you know this was passed by the Congress as a part of the education act of 1972 and then, somehow, was by-passed and not included in the bill which was signed by the President.

2. Through the inclusion of vocational-technical institutes and proprietary schools in the College Work Study Program, but not increasing the federal contribution, most of the colleges are suffering around a 20% drop in Work-study funds. (The pie is just as big but is being cut into smaller pieces.)

We suggest that the CWSP is one of the most worthwhile student aid programs because of the vocational training it provides the student, as well as the money he earns. We therefore suggest the funding of this program be increased to $500 million per year.

3. In the United States we have always taken pride in the fact that anyone who wants to work should be given the opportunity to do so.

Surveys show that the student who works, if he does not work over 20 hours per week, does better academically and participates in more extracurricular activities than the student who does not work while attending college.

And yet, many students are denied this privilege because they do not qualify for financial aid, since many campuses have little other employment to offer.

We suggest, therefore, the elimination of a needs test for the student to qualify for Work-study employment.

ALBANY JUNIOR COLLEGE,
Albany, Ga., June 20, 1974.

Congressman DAWSON MATHIS,
Albany, Ga.

DEAR CONGRESSMAN MATHIS: As you know from our past conversations, Albany Junior College has been receiving federal funds to expand and strengthen the Cooperative Education Program in Albany. These funds have enabled the Junior College to expand its course offerings and give new opportunity for both college transfer and career program students.

I have been informed that there are hearings that are scheduled to take place in Washington for future legislation involving Cooperative Education Programs. The proposed recommendations are:

1. The federal funding for Cooperative Education Programs should be increased to five years instead of the present three-year limitation. .

2. The federal funds supporting Cooperative Education Programs should be increased as well as money provided for research and training.

3. The present guidelines for Cooperative Education Programs should be revised to harmonize more with junior colleges, their programs, their needs, and their students.

4. Greater articulation between junior colleges and vocational schools is encouraged and highly recommended.

5. It is recommended that some form of support be given to employers of Cooperative Education students to increase their interest and the job possibilities by a form of a tax credit.

After conferring with other Cooperative Education Directors in the south Georgia area, we all strongly support these recommendations. Any input and personal attention that you would give will be greatly appreciated by the people of South Georgia. If you can keep me appraised of the hearings and proceedings, I would be appreciative.

Thank you for your personal concern, attention, and continued support.

Sincerely yours,

JOHN D. BOWSMAN,
Coordinator, Cooperative Education Program.

THE CHICAGO URBAN CORPS,
Chicago, Ill., July 11, 1974.

Hon. JAMES O'HARA,
Chairman of Committee of Higher Education, House of Representatives, House Office Building, Washington, D.C.

DEAR MR. O'HARA: I have been following with considerable interest the materials emanating from your Committee regarding financial aid programs for college students. The Chicago Urban Corps contracts with approximately thirty colleges in the metropolitan Chicago area for the purpose of placing college work-study students in meaningful off-campus internships.

It is my clear opinion that CWSP can be substantially improved. Not only is it a politically popular program, I think it has the potential for the greatest dollar return of any federally funded program. The problem as I see it, however, is that the government is not getting an adequate "bang for the buck." As long as students are used on campuses to do meaningless work in order to save the institutions money, neither the student nor the tax-payer is receiving equitable treatment. I believe a new major thrust ought to be directed at the institutions of higher education, directing them to allocate more CWSP dollars for meaningful off-campus internships. That is to say, to view work-study as simply financial aid is to make the least, not the most of the potential in the program.

Ways must be devised to provide academic credit and meaningful intellectual stimulation for those students who have work-study grants. We have found the provision of the law which allows students to work in not-for-profit and public agencies to be extremely productive. Our effort now is to tie-in these internships to the students' total educational life by making them academically creditable. This gives the student a triple incentive. He earns money, he furthers his education and he does something which he sees as having social value. This is a far different arrangement than he or she might find in the usual work-study campus job.

The Chicago Urban Corps has recently received a small grant from the Fund for the Improvement of Postsecondary Education (FIPSE) to do some experimental work in the up-grading of all kinds of internship experiences including, but not limited to CWSP. I will keep you apprised of the progress and results of our efforts.

Finally, I would encourage Congress to expand CWSP dramatically if, in fact, it can be tied into the students' academic program. My observation is that it is a far more valuable program from every perspective than BEOG.

If I can be of any assistance to the Committee I stand ready to do so and would be more than pleased to share the results of our experience with you.

Sincerely,

CHARLES H. BAYER,
Executive Director.

THE JOINT COUNCIL FOR COOPERATIVE EDUCATION,
Houston, Tex., September 3, 1974.

Congressman JAMES G. O'HARA,
Chairman, Special Subcommittee on Education,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN O'HARA: We understand that your committee is in the process of drafting new legislation to supplant and carry on Title IV–D of the Higher Education Act, as amended, when the current legislation expires on June 30, 1976. Speaking in behalf of the membership of the Cooperative Education Association and the Cooperative Education Division of the American Society for Engineering Education (with a combined total of about 1800 members—all active practitioners in Cooperative Education) we wish to make the following recommendations regarding the proposed new legislation:

1. Future legislation should place a high priority on grants to institutions that are developing Cooperative Education programs in academic disciplines which

promise to satisfy needs for increased numbers of career employees, as indicated by U.S. Department of Labor projections.

2. Administration of Cooperative Education funds should continue to be centralized in the Office of Education in Washington, D.C., rather than delegated to the regional offices.

3. No grants should be made for feasibility studies or planning. Institutions should undertake these activities at their own expense. Favorable results would make them eligible for federal assistance to implement, strengthen, and expand their programs. This policy would insure institutional commitment to the program before federal funding is received.

4. The limitation on funding for administration of programs should be increased from three years to five years, but in decreasing amounts each year so that self support from institutional funds would be required in increasing amounts each year. For example, a new program might be eligible for 100% of total costs from federal funds in the first year, 80% in the second year, 60% the third, and so on. As above, this policy would insure institutional commitment and would foster the continuation of programs after the federal funding ceases. We favor the change from three to five years *only* if the "sliding scale" concept is included in the legislation.

5. The limitation of $75,000 per institution per year for administration seems adequate and should be continued. However, consortium arrangements should not be held to this limit on a total basis, but should be limited to $50,000 for each participating institution.

6. The total amount authorized annually should be increased to $20,000,000, with $17,000,000 specified for program administration (implementation, strengthening, and expansion) and $3,000,000 for training and research. This increase would provide for normal development of new programs and provide a margin for inflation.

7. Vocational-Technical programs should not be funded under the new law since other federal legislation provides funding for these programs.

8. Future legislation should provide financial incentives to employers participating in Cooperative Education. For example, employer coordinators should be eligible for stipends offered for participation in training institutes and workshops. Also—and this may not be the appropriate legislation in which to include this recommendation—private employers should receive an income tax break for their participation in the educational development of Cooperative Education students. Most employers agree that CO-OP students are, on the average, about 80% productive on the job. Assuming this to be true, 20% of the pay CO-OPs receive is a contribution to the education of students and could be considered as tax exempt the same as employer grants to educational institutions.

9. Future legislation should place a high priority on grants to institutions that develop programs which meet certain criteria and guidelines. An example would be the Engineers Council for Professional Development Accreditation Criteria for Cooperative Education Programs (see enclosed reprint of an article from *Engineering Education*). The criteria established for this legislation should emphasize the integration of theory and practice, counseling to recognize and organize objectives, productive work, and the career development aspects of Cooperative Education. Recognizing the inherent advantages for students in Cooperative Education programs that provide full-time alternating academic and work periods, institutions that are developing this type of program should receive high priority for funding.

10. We feel that it is extremely important that *accountability* be built into the legislation and into the guidelines for administration of federally-funded Cooperative Education programs. Funds should be made available for independent evaluation of these programs on a year-by-year basis. We strongly subscribe to the recommendations contained in the report entitled *Search for Success*, prepared by the National Advisory Council on Education Professions Development.

We trust that your committee will favorably consider the above recommendations when preparing the new legislation on Cooperative Education. We would be happy to provide supporting information to you and the committee and would welcome the opportunity to testify at appropriate committee hearings.

Sincerely,

BRUCE C. STOUGHTON,
President-Elect.
JAMES T. GODFREY,
Chairman.